Foreign Broadcast Information Service 50 ANNIVERSARY 1941 - 1991

Daily Report

East Asia

FBIS-EAS-91-188
Friday
27 September 1991

Daily Report
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FBIS-EAS-91-188 *27 September 1991*

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44th Asia-Pacific Chambers of Commerce Conference

ASEAN Summit To Discuss Free Trade Zone

BK2709100091 Jakarta ANTARA in English 0827 GMT 27 Sep 91

[Text] Nusa Dua, Bali, Sept 27 (ANTARA-ECOANA)—Coordinating Minister for Economic, Financial and Industrial Affairs Radius Prawiro said on Wednesday the ASEAN summit in Singapore early next year would be fruitful, as next month's ASEAN economic ministers meeting in Malaysia would discuss ideas to be taken up in the summit.

Minister Radius was speaking to the press in Nusa Dua after addressing the 44th conference of the Confederation of Asia-Pacific Chambers of Commerce and Industry scheduled to be opened by Trade Minister Arifin Siregar Thursday evening.

Indonesia's plan concerns common effective preferential tariffs agreed upon at the ASEAN meeting in Jakarta some time ago.

Thailand, Radius said, would discuss the development of an ASEAN free trade zone.

The discussion during the ASEAN economic ministers meeting from October 7 to 9, would make preparations for the summit more complete, he said.

When asked about reports saying that IGGI (Inter-Governmental Group on Indonesia) Chairman Jan Pronk had hinted at possible discontinuation of aid from the donor countries to Indonesia, as this country had been classified as a Newly Industrialized Country (NIC), he said Pronk never made such statement.

Asked about Indonesia's classification as a Newly Industrialized Country, Minister Radius said it was a World Bank evaluation, and Indonesia, along with Thailand and Malaysia, was actually on the way to becoming a NIC.

The World Bank in its sessions in Bangkok at the end of this month will give its evaluation of the countries with strong economic growth.

Indonesia Lauds Regional Growth Triangle Project

BK2709095191 Jakarta ANTARA in English 0831 GMT 27 Sep 91

[Text] Nusa Dua (Bali), Sept 27 (OANA-ANTARA)—Trade Minister Dr. Arifin M. Siregar said Indonesia considered it important to develop projects on the "Growth Triangle" pattern to accelerate economic growth in ASEAN and even in the wider Asia- Pacific region.

The growth triangle project scheme is to be promoted by Indonesia in the ASEAN economic ministers meeting to take place in Kuala Lumpur, Malaysia, on October 7-9, said Siregar following the opening of the 44th meeting of the Confederation of Asia Pacific Chambers of Commerce and Industry (CACCI) here Thursday.

The growth triangle pattern is now being implemented in the Batam-Singapore-Johor development project, but it could be expanded to growth triangles covering Thailand-Malaysia-Indonesia or the Philippines-Indonesia-Malaysia, he said.

The private sector's role is to be encouraged to support the idea, he said, adding that the government would provide the facilities while the private sector would be responsible for the implementation of the projects.

Concerning the improvement of relationships among ASEAN member countries, the minister said that Indonesia would study several proposals in the next meeting.

Siregar stated that relationships among the ASEAN member countries could be further enhanced.

Siregar expressed hope that the ASEAN economic ministers meeting would produce valuable recommendations. All the ideas formulated during the meeting would be further discussed in the ASEAN summit conference in Singapore in 1992.

Indonesia considers as important increased personal contacts among businessmen to improve existing relations among the Asia- Pacific countries, he said.

The government, for example, constantly supported Indonesian businessmen to establish closer trade relations with the People's Republic of China's businessmen.

An effort to improve trade networks in the Asia-Pacific region, according to the minister, is quite important. The relationship among the Asian-Pacific countries would be strengthened following the opening of several travel agencies, as well as the development of agriculture and fishery sectors in the region, he added

Japan

DPRK Premier, Foreign Minister Stop in Tokyo

OW2709121191 Tokyo NHK General Television Network in Japanese 1000 GMT 27 Sep 91

[Text] Premier Yon Hyong-muk and Foreign Minister Kim Yong-nam of North Korea, the DPRK, made a brief stopover at Narita Airport this afternoon on their way to New York to attend the UN General Assembly.

At the airport, Premier Yon held talks with Hajime Ishii, chairman of the Japan-North Korea League of Parliamentarians for Promoting Friendship, and indicated his intention to further promote dialogue with U.S. officials and politicians by taking advantage of the U.N. General Assembly. It was the first time that prominent figures of the North Korean Government visited Japan, though only briefly.

Foreign Ministry Spokesman Holds News Conference

ODA Loan To China

OW2709081791 Tokyo KYODO in English 0808 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—Japan exchanged notes with China in Beijing on Friday on its Official Development Assistance (ODA) loan of up to 129.61 billion yen for fiscal 1991, the Foreign Ministry announced.

The loan, promised by Prime Minister Toshiki Kaifu during his August visit to China, will be used for 22 public welfare projects, including the Tianshengqiao first hydropower project in Guangdong Province, ministry officials said.

The loan will be available under conditions of a 2.6 percent interest rate per annum, 30-year repayment period (including a 10-year grace period) and untied procurement methods, they said.

The governments of the two countries in 1988 agreed on Japan's third yen-loan to China for fiscal 1990-1995, worth 810 billion yen, which was frozen in the wake of the Tiananmen Square incident in 1989 but resumed last November.

Cambodian Aid Conference Sought

OW2709055991 Tokyo KYODO in English 0544 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—Japan hopes to host an international conference on economic aid for the recontruction of Cambodia by next March, a senior Foreign Ministry source indicated Friday.

The source said that expectation is premised on the likelihood that the four warring Cambodian factions will reach a comprehensive peace settlement at the Paris International Conference on Cambodia (PICC), scheduled to begin October 31.

The source also said Japan will likely be represented at the Paris peace conference next month by Foreign Minister Taro Nakayama.

The five permanent members of the UN Security Council finalized a Cambodian peace pact in New York last week.

El Salvador Accord Welcomed

OW2709090591 Tokyo KYODO in English 0858 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—Japan welcomes the signing of an accord between the El Salvador Government and leftist guerillas that lays the groundwork for an eventual ceasefire, a Foreign Ministry spokesman said Friday.

Spokesman Taizo Watanabe told foreign correspondents the Japanese Government welcomes the agreement as "an important step forward for final peace in that country, which has been ravaged by so many years of civil war between guerrillas and government forces."

The accord does not bring an immediate ceasefire to the 12-year civil war, but sets out conditions and guarantees for easing the guerrillas of the Farabundo Marti National Liberation Front back into civilian society.

"We really hope that peace in that country will be formally established at the earliest possible time," Watanabe said.

The spokesman welcomed the mediation efforts of UN Secretary General Javier Perez De Cueller, the United States, and Central American countries to bring about a peace settlement in El Salvador.

Concern Over Turmoil in Romania

OW2709100091 Tokyo KYODO in English 0951 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—Japan is concerned over the latest violent political turmoil in Romania, a Foreign Ministry spokesman said Friday.

Taizo Watanabe told reporters in a regular briefing that Japan is closely watching the situation in Romania and "hopes it does not have a bad influence on the process of democratization and reform in that country."

Watanabe was referring to two days of riots in Bucharest led by coal miners that have led the government of Prime Minister Petre Roman to resign and the issuing of a statement announcing the deployment of troops and the distribution of "war ammunition."

The spokesman said the Japanese Government is also concerned about the safety of the estimated 100 Japanese nationals in Romania.

The Romanian Parliament has been ransacked by rioters while the government headquarters has been stormed, resulting in several reported deaths.

The Romanian Embassy in Tokyo had no comment but issued a press release saying Roman and President Ion Iliescu decided to immediately set up "a new government of national unity, capable of assuring better conditions of public order...as well as the continuation of the democratization process and reform."

Reports of G-7 Soviet Debt Moratorium Denied

OW2709022191 Tokyo KYODO in English 0144 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—Finance Minister Ryutaro Hashimoto Friday denied a press report that the Group of Seven (G-7) industrial countries have agreed on a moratorium on Soviet foreign debt principal repayments.

Such a scheme is unrealistic since it is not clear yet who will actually shoulder the debt, and with whom the G-7 countries should discuss the issue, Hashimoto said at a press conference after a regular cabinet meeting.

"When you talk about a moratorium, who would be the beneficiaries, the federal government or the republics?" He said.

A Japanese newspaper, the NIHON KEIZAI SHIMBUN, said in a report from Washington Friday that the G-7 nations have agreed to allow the Soviet Union to delay repayment of part of its 77 billion dollar debt principal to Western countries.

Hashimoto also dismissed the newspaper's report that G-7 have decided to divide the Soviet territory into several parts for allocation of the responsibility for assistance.

"Can Japan possibly take the full responsibility for assistance to, say, the Far Eastern part of the Soviet Union?" He asked. Such an idea is unrealistic, Hashimoto said.

On emergency humanitarian aid to the Soviet Union, Hashimoto said Japan is waiting for the report of a Japanese fact-finding mission to the Soviet Far East which is expected to return home at the end of September.

That report will be useful not only for Japan, but for the other G-7 nations as well since there has been a dearth of information on the region, the finance minister said.

Japan will decide on its emergency aid based on that report, he said.

Hashimoto also said the Tokyo consumer price figure for September is unlikely to prompt any change in the government's monetary policy.

The Tokyo-area consumer price index in September rose 2.8 percent from a year earlier, down from a 3.5 percent upswing in August.

Consumer prices are generally considerably affected by the price trend of perishable foods, the finance minister said.

Cabinet Bureau Defends Weapons Use in UN Force

OW2709112691 Tokyo KYODO in English 1102 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—The Cabinet Legislation Bureau declared Friday the use of weapons in self-defense or the defense of Japanese by Self-Defense Forces personnel participating in United Nations Peacekeeping Operations [PKO] is "not unconstitutional."

The bureau, calling the use of weapons in self-defense "a natural right," submitted a clarification of its position on the use of weapons by Japanese personnel in peacekeeping forces to the House of Representatives Special Committee on International Peace Cooperation.

"In the protection of life and limb of one's self or other necessary people of our nation in the area, the use of weapons for this purpose is a natural right and does not constitute the exercise of military force and, therefore, is not unconstitutional," the bureau said in trying to align its position with the government's over the international peacekeeping support bill.

The opinion piece stressed that beyond self-defense, the use of weapons would be limited in the defense of "necessary persons of our nation."

The bureau opinion defined "the use of military force" forbidden by Article 9 of the Constitution as "combative action linked to international military conflicts by material and personnel organizations of our nation."

To distinguish this from the concept of "use of weapons," the bureau opinion stipulated it is directly killing or wounding people or the use of firearms, explosives, and swords in the destruction of things as a part of a military conflict.

The bureau said the use of weapons includes the concept of military force, but it does not collide with the idea of military force that is banned by the constitution.

The bureau also remarked the use of small firearms in self-defense or the protection of other Japanese would not violate the constitution.

The opinion made no mention of protecting non-Japanese, although Prime Minister Toshiki Kaifu told the Diet this "would be possible in appropriate defense and emergency evacuation within the regulations of the law."

Friday's opinion was in response to a request by the Social Democratic Party for answers on the issue in writing.

UN Ban on Drift-Net Fishing Challenged

OW2709120391 Tokyo KYODO in English 1150 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—Japan has filed a petition with the United Nations challenging a ban on drift-net fishing, making clear it will face off squarely with the United States, which is pressing for the ban, government officials said Friday.

The officials of the Fisheries Agency said the petition says that a scientific survey on which the ban is based does not justify such a step.

The U.N. has passed a resolution that would ban drift-net fishing at the end of June next year.

The U.S., supporting the resolution, warned that it would restrict fish imports from countries employing drift-net fishing, including Japan and South Korea.

Japan's petition challenged in detail the results of a scientific survey reported at an expert meeting held in Canada in June this year.

The U.S. and other nations claimed that drift-net fishing, known as the wall of death, will deplete marine resources since it traps fish and marine life indiscriminately.

The Japanese petition argued that the main issue is not whether to capture marine life indiscriminately, but how much of marine life is sacrificed by the method.

It claimed that drift-net fishing is employed only in 1.7 percent of areas covering the North pacific.

Okinawa Legislature Debates U.S. Redeployment

OW2609143291 Naha OKINAWA TIMES in Japanese 26 Sep 91 Morning Edition p 2

[Text] Tokyo—At the 25 September session of the House of Councillors Ad Hoc Committee on Okinawa, Shinjun Oshiro (of the Liberal Democratic Party), Shoichi Ichikawa (of the Japan Communist Party), and Shinei Kyan (of the Sanggiin Club) asked the government for its views on, and measures for, the impact of the U.S. withdrawal from its military bases in the Philippines to U.S. military bases on Okinawa, the relocation of the urban combat training facility in Onna Village, and the consolidation and reduction of U.S. military bases in Okinawa.

Concerning the redeployment of U.S. military transport planes from the Philippines to Kadena Air Base, Mr. Matsuura, director of the Foreign Ministry's North American Affairs Bureau, reiterated the conventional government reply, saying: "We have heard from the U.S. side that this is only temporary." He said: "The action regarding Subic Bay Naval Base is fluid. The U.S. side is now in the process of examining the issue. We should wait for the results of the examination by the U.S. side."

With respect to the relocation of the urban combat training facility, Mr. Ohara, director of the Defense Facilities Administration Agency [DFAA], indicated his understanding that Afuso District would also be a good alternative for its relocation. He said: "Former Governor Nishime, the Onna Village mayor, and the village assembly acknowledged the relocation and the four parties, including the prefectural government and the U.S. military, reached agreement on its relocation in March last year. The relocation expenses will be earmarked in the 1991 fiscal budget and the site for relocation is under consideration."

Mr. Ichikawa charged that the relocation expenses have been earmarked in the so-called sympathy budget and asked the government's view on it. Ohara, director of the DFAA Facilities Department, disclosed that the prefectural government had made a request for its relocation with the expenses to be borne by the state under agreement reached among the four parties at that time.

Mr. Kyan asked the Foreign Ministry about the situation in the return of U.S. military facilities and areas, agreed on between Japan and the United States, and asked about measures surrounding this. In reply, Matsuura, director of the North American Affairs Bureau, said: "Coordination is under way with the parties concerned on the remaining 19 of the 23 cases." On Naha port and other facilities he said: "We want to continue consultation with the U.S. side."

Lower House Approves Securities Law Revision

OW2709033291 Tokyo KYODO in English 0320 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—The House of Representatives gave its approval Friday to a government-sponsored bill that would amend the Securities and Exchange Law and forbid paying and requesting compensation for investment losses.

The legislation was approved unanimously and will now be sent to the House of Councillors, or the Diet's upper house, for final deliberation next week.

The bill would carry penalties of up to one year in prison or a fine of up to 1 million yen for brokers paying compensation, and up to six months in prison or a fine of up to a 500,000 yen for clients requesting such payments.

The revised law would also ban discretionary securities accounts, which give brokerages control on investment decisions and have been criticized as a major factor behind the brokerage payout scandal.

Promising to cover client losses is against current law, but later compensation without an advance promise is not. All such compensation, however, violates a December 1989 Finance Ministry directive.

Finance Minister Ryutaro Hashimoto and other ministry officials have said they want to study other measures that may be incorporated into the law in order to prevent a repeat of the brokerage scandal.

Those measures would be taken up at the Diet's next regular session, which begins in January.

Preparatory Group for Watchdog Body Organized

OW2709113591 Tokyo KYODO in English 1111 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—The Finance Ministry [MOF] on Friday inaugurated a task force to prepare for the establishment of a watchdog body to oversee the securities and financial industries.

Ministry officials said the step was in line with a recommendation by the government-appointed ad hoc commission on administrative reform that a quasi-independent mechanism be formed to inspect the operations of financial institutions.

The proposed body will be attached to the finance ministry but will be operated independently from the ministry and will not be open to direct participation by ministry officials.

If things go smoothly, the new panel will come into being around July next year with approval by the Diet, the officials said.

The preparatory group, led by Tadashi Ogawa, a senior official of the ministry, consists of personnel from departments in charge of securities, banking, and financial businesses.

It is aimed at preventing a recurrence of the scandal which has recently swept the financial industry.

Securities' Clients Refunded Monies Never Lost

OW2709135091 Tokyo KYODO in English 1328 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—Six clients received more than 1 billion yen each in unfair kickbacks from brokerage houses even though they suffered no market losses, according to an unofficial Finance Ministry document obtained Friday.

The ministry has started a probe into the six cases on suspicion the massive payouts violate Japan's securities and exchange law, which bans prior guarantee of yields to investors.

According to the document obtained by KYODO news service, six of the 39 corporate and institutional investors who received 1 billion yen or more in stock loss reimbursements from october 1987 to march 1990 did not suffer losses.

The disclosure of the clients follows Thursday's revelation that a dozen Japanese brokerages paid an unspecified number of investors nearly a combined 10 billion yen in unfair payouts without market losses.

The six are the Pension Welfare Service Public Corp., a semigovernmental organization affiliated with the Health and Welfare Ministry, Nanki Kanko, a tourism firm, the Police Personnel Mutual Aid Association, Komatsu Finance Co., a finance company, Showa Shell Sekiyu K.K., an oil concern, and the Japan Mutual Aid Association of Public School Teachers.

The first four received payouts even though they enjoyed profits in each of the three financial years.

The Pension Fund Management Organization, which received 4,941 million yen in kickbacks from Nomura Securities Co. over the two and a half years, actually made profits worth 2,019 million yen in the second half of fiscal 1987, 2,487 million yen in fiscal 1988, and 14,317 million yen in fiscal 1989.

The payouts for the pension organization raised suspicions Nomura promised it a certain level of yields in advance.

The Health Ministry has firmly denied the allegations so far. A ministry official testified to a Diet panel Thursday the pension body has never asked for guarantees.

The Finance Ministry document says all compensated customers, except Nippon Oil Co. and Gakken Co, received more refunds than their losses.

Agency Releases Sep Tokyo Consumer Price Data

OW2709043391 Tokyo KYODO in English 0032 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—Consumer prices in the Tokyo metropolitan area rose 2.8 percent in September from a year earlier, but fell 0.1 percent from the previous month, the Management and Coordination Agency said in a preliminary report released on Friday.

The consumer price index (CPI) for Tokyo, a leading indicator of nationwide inflationary trends, stood at 103.4 against the base figure of 100 for 1990, according to the report.

The yearly rise below 3 percent was the first since last September when prices also increased by 2.8 percent from a year before, an agency official said.

In a year-on-year comparison, the figure contracted 0.7 percentage point from a 3.5 percent increase in August. The index marked a 3.4 percent rise in July and 3.3 percent in June.

The official attributed the contraction of the price rise to a drop in prices for fresh foodstuffs, on both an annual and monthly basis.

He noted that after the cool and rainy summer, the supply of fresh fruit and vegetables has since increased, pulling down their prices.

Fresh vegetable prices dropped 13.5 percent in September from the previous month and 0.6 percent from a year earlier, while fresh fruit prices fell 10.5 percent from August, the report said.

Meanwhile, the core of the CPI, which excludes fresh foodstuffs, stood at 103.6 against the 1990 base figure, up 3.0 percent from a year ago and up 0.5 percent from August, it said.

The agency official pointed out that it is necessary to see the trend of prices in seasonally adjusted figures, saying, "prices are basically as stable as they were. The trend is favorable."

"I cannot say for sure at the moment but (prices) seem to be on track to achieve the 2.4 percent rise in the government's estimate for fiscal 1991," he said.

But he said there are several issues to be carefully watched, including oil prices, grain prices, and the labor demand-supply situation. Oil prices, for example, unexpectedly jumped last October in the wake of Iraq's invasion into Kuwait, he added.

The seasonally adjusted CPI for Tokyo stood at 103.2, down 0.7 percent from August, while that excluding fresh foodstuffs stood at 103.5, up 0.2 percent from the previous month, according to the report.

By category, prices in clothing and shoes rose 6.3 percent from august, with those in clothes, shirts, and underwear sharply increasing, the report said. Prices for this category are usually higher in September due to the supply of autumn and winter clothes at higher prices, according to the agency.

Prices in furniture and household products also rose 0.5 percent.

Categories where prices fell were food, by 1.8 percent; entertainment and cultural services, by 0 9 percent; health and medical treatment, transport and telecommunications, and miscellaneous, the three latter sectors all by 0.1 percent.

Housing, lighting and water supplies, and education costs were unchanged.

The agency also reported that the nationwide CPI for August stood at 103.2 against the 1990 base figure, up 3.3 percent from a year earlier and up 0.2 percent from a month before.

New Superconducting Energy Storage System Built

OW2609162791 Tokyo KYODO in English 1449 GMT 26 Sep 91

[Text] Sendai, Sept. 26 KYODO—Tohoku Electric Power Co. has developed a new superconducting magnetic energy storage system jointly with Hitachi Ltd., the power company said Thursday.

Company officials said the new system will be tested from October using a mock power transmission facility.

The system is a two-meter-high cylinder with a diameter of 1.2 meters, around which superconducting coil is wound.

The officials said when the superconducting coil, made from a niobium-titanium alloy, is cooled to 269 degrees C below zero in liquid helium, the electrical resistivity of the coil disappears.

When an electric current is sent in a no-electrical-resistance state it generates magnetic force, and the generated magnetic force can be stored as energy, they said.

The officials said since the new system has a high storage efficiency of at least 90 percent and can immediately release energy, it may be used to help cope with a decline in the voltage of an electricity transmission system.

Three other Japanese groups, including Chubu Electric Power Co., have already developed similar superconducting storage systems.

Tool Maker Develops New Laser Oscillator

OW2709014791 Tokyo KYODO in English 0121 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—Fanuc Ltd., a major Japanese maker of numerically controlled machine tools, has developed a new laser oscillator based on laser technology acquired from General Electric Co. of the United States, a company spokesman said Friday.

Fanuc expects to commercialize a laser robot using the slab-type yttrium aluminum garnet (YAG) laser oscillator by the end of next year, the spokesman said.

The quality of the new YAG oscillator has been improved by five to 10 times compared with existing equipment, enabling processing of more solid materials, he said.

The oscillator has an average output of 500 watts, and a maximum output of 35 kilowatts.

Fanuc expects to provide the new oscillator to various manufacturers under original equipment manufacturing (OEM) agreements, but is not planning to make other laser robots.

Fanuc sees a 30 billion yen market for the YAG laser business in the current fiscal year, followed by an annual 10-15 percent growth.

Science White Paper Notes Language Obstacles

OW2709013791 Tokyo KYODO in English 0056 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 KYODO—The language barrier is one of the greatest obstacles to the "globalization" of Japanese scientific efforts, the Science and Technology Agency said in its annual White Paper released Friday.

The 1991 paper, titled "Development of Globalization of Scientific and Technological Activities and Issues Japan is Encountering," is a departure from the theme of last year's paper which dealt mainly with domestic issues and the connection between basic research and technologies for better lifestyles.

Hiroshi Nagano, director of the research division of the agency's Science and Technology Policy Bureau, told reporters that despite the global emphasis, the figures collated in the paper showed Japan's scientists suffer from a language barrier.

Nagano said linguistic, geographic and cultural differences handicap Japan in the diffusion of its technological advances as well as in its pursuit of overseas technology.

The White Paper noted that while the flow of information within as well as between the United States and Europe is noticeable, access to Japanese data by these countries is poor.

It said that despite Japan's ranking third after the United States and Britain in terms of the number of papers published by its researchers, Japanese papers cited from abroad "represent no more than 3.4 percent of total papers cited."

The White Paper's figures were based on 850 replies to a questionnaire sent to 1,301 Japanese companies and 531 replies from a questionnaire sent to 1,012 high-tech researchers and engineers.

The paper said the U.S. maintains an advantage in terms of internationally coauthored scientific papers because of its "strong geographic and linguistic connections."

"Japan-U.S. coauthorships exist to some extent, but few exist between Japan and other countries," the paper said.

"The greatest problem for the international dissemination of Japanese scientific and technological information comes from the fact that Japanese is not an international language."

The paper concluded that compared with other major advanced countries, Japan's scientific and technological strengths lie in private-sector spending on technology and the export of high-tech products, but that its weaknesses are in basic research.

"This lack of equilibrium shows that Japan's activity in basic research doesn't accord with its station in the world," the paper said.

The paper said the social status of researchers in Japan is still poor. It said that while 59.6 percent of researchers and engineers in Europe and the U.S. felt they are considered "superior," only 3 percent of Japanese researchers and engineers felt the same way.

Nagano said one aspect of "globalization" cited in the paper is the tripling in the past three years to 751 in the number of foreign researchers engaged by development institutions.

Nagano said the number of former foreign students choosing to stay on after studying in Japan is also on the rise.

He said this trend may help offset what the White Paper forecast will be a "chronic shortage of researchers" caused by a decrease in the number of Japanese aged between 18 and 20 years from the present figure of 2.2 million to 1.5 million by early next century.

"The greatest challenge in the future is how to find the personnel," Nagano said.

North Korea

Commentary Rebuts No Tae-u's UN Speech

SK2709034991 Pyongyang Korean Central Broadcasting Network in Korean 0009 GMT 27 Sep 91

[NODONG SINMUN 27 September commentary: "A Splittist's Worn-Out Monologue on Two Koreas"]

[Text] No Tae-u made what is called a speech at the 46th session of the United Nations General Assembly. It is widely known that no sooner had South Korea's UN admission been put on the calendar than No Tae-u began circulating a noisy rumor that he would reveal his plan for peace on and reunification of the Korean peninsula when the UN General Assembly is convened.

Just as the saying goes, "A widely advertised feast falls short of its billing," there was nothing new in what he prattled about in the United Nations where he went accompanied by a congratulatory delegation, except a reiteration of what he has said time after time in the past.

In the speech he babbled about achieving peace, confidence-building, and exchange, as if he were about to do something for peace and reunification. However, the upshot of his speech can not be interpreted other than as an open manifestation of his sinister intent to keep South-North confrontational policy even after being admitted into the United Nations and pursue the two Koreas policy more openly by taking advantage of the UN membership.

This is clear in the fact that No Tae-u paid lip-service to the need for the North and South to build active relations of achieving peace and of hastening reunification, while not even mentioning practical measures and ways to guarantee peace and hasten reunification on the Korean peninsula.

No Tae-u said that the South and North should replace the truce system with a peace system by signing a peace agreement. Turning the state of truce into durable peace on the Korean peninsula is an urgent matter. However, No Tae-u's suggestion that the South and North settled the matter with a peace agreement is presumptuous.

As is known, in essence the South Korean authorities are not a signatory to the Armistice Agreement and so, they are not the party to get involved in replacing the Armistice Agreement with a peace agreement. The persons in authority in South Korea who have completely lost to the United States even the prerogative of supreme command have no power or authority to settle such a question.

The question of replacing the Armistice Agreement with a peace agreement is something that can be settled between us and the United States. We have consistently insisted that a peace agreement be signed between Korea and the United States, the signatories to the Armistice Agreement, and that the North and South adopt a nonaggression declaration in order to create peaceful preconditions for the settlement of the Korean question.

No Tae-u, however, has presumptuously prattled only about the question of signing a peace agreement, something he has no right to poke his nose in, and said not so much a word about the North-South nonaggression declaration, something he is supposed to talk about as a matter of course.

This is rather a retrogression from his speech at the United Nations three years ago when he paid lip-service to the adoption of a nonaggression declaration. His talk about the need to achieve peace, while ignoring the adoption of the nonaggression declaration by which the two sides are to solemnly confirm at home and abroad that they would not strike at or conquer the other side, is hypocrisy and falsehood in the eyes of all the people.

The South Korean authorities' anti-peace stand and attempt has been graphically expressed in his words about disarmament built on the basis of building military confidence.

Confidence-building measures remarked about by No Tae-u is nothing but a suggestion that military intelligence be exchanged and the other side be informed of military exercises.

Recognizing the military forces in both sides and mutual information alone can never serve them to get rid of the danger of war.

In order to prevent the danger of invasion and build confidence, it is imperative to make disarmament to the extent where one side cannot strike the other. In particular, peace in our country can be settled completely only when the U.S. forces and nuclear weapons, which are directly responsible for endangering peace and fostering the danger of war, are withdrawn.

Avoiding answering our all-inclusive peace proposals, disarmament proposals, and proposals for converting the Korean peninsula into a nuclear-free zone, proposals which were put forward in anticipation of execution, No Tae-u has once again raised the issue of unilaterally imposing nuclear inspection on us, babbling about the nonexistent nuclear threat from the North.

The danger of nuclear war on the Korean peninsula stems from the nuclear weapons that the United States brought into South Korea. To say that we, who have no nuclear weapons, be placed under nuclear inspection and that the U.S. nuclear weapons deployed in South Korea not be the target of inspection is a brigandish rhetoric lacking fairness rather than a call for the prevention of nuclear war on the Korean peninsula and is a mockery to the international nuclear inspections.

That No Tae-u clamored about the peace structure, confidence building, and arms reduction while disregarding the essential problems for guaranteeing peace is a revelation of his mean, flunkeyist, and treacherous character aimed at backing up the occupation by U.S. forces of South Korea and their nuclear war provocation maneuvers, at exempting the United States from the responsibility for its aggravation of tension on the Korean peninsula and for its creation of the danger of a nuclear war there, and at nailing down in South Korea permanently the U.S. forces and their nuclear weapons.

No Tae-u's antinational attempt was also revealed in his clamoring about a free exchange of personnel, materials, information, and the like in connection with North-South relations, that is, only the matter of North-South exchange. Today when all fellow countrymen in the North, the South, and overseas are accelerating a vigorous march toward reunification in the nineties, the pressing and urgent problem which awaits a solution between the North and the South is to decide the common way for national reunification of the nation and to take a practical step such as to eliminate political and military confrontation between the North and the South.

Nevertheless, while saying that to expedite reunification it is imperative to achieve active relations No Tae-u made no mention of such a fundamental problem at all. Now that the North and the South are in a state of political and military confrontation, how can they smoothly make exchanges? Even if they make exchanges, can the North- South relations become active relations? No Tae-u's clamoring is a manifestation of his impure attempt to continue division infinitely by idly making exchanges, taking advantage of international trends, and by paving the road of integration by absorption, and this proves that he has not woken from his fantastic dream of reunification through a victory over communism.

Such an attempt of his was further revealed in his remarks that a basic agreement on North-South relations should be reached at the fourth round of North-South high-level talks. As has already been laid bare to the world, the so-called basic agreement for improving North-South relations, which the South side brought to the North-South high-level talks from the outset, is a copy of the treaty which a certain country of Europe concluded when it legalized one country as two states. Therefore, in essence, it is nothing but a document of permanent division aimed at creating two Koreas through the recognition of substance.

Signing a document of permanent division in the talks to discuss and solve the reunification question runs counter to the basic purpose and agenda of the talks. Therefore, this is an impure and thoughtless act which clouds the prospect of the fourth round of high-level talks. In substance, the North-South high-level talks are talks between the authorities of the North and the South. Therefore, the issues to be discussed in the talks are not the ones that should be brought to the United Nations.

That No Tae-u brought to the UN stage the issues to be discussed between the North and the South and clamored about them there proceeded from an unreasonable attempt designed to perpetuate and legalize the division of the country by taking advantage of the international leverage of its admission into the United Nations.

In a nutshell, No Tae-u's speech at the United Nations is nothing but confrontational gibberish, gibberish concerning two Koreas, under the mask of peace and reunification.

In addition to this, No Tae-u also clamored about democratic development in South Korea and went so far as to presumptuously clamor about international disputes and the like. How can the fascist dictator—who has painted all of his body with the blood of the people, enforcing the fascist security-oriented rule in South Korea which surpasses the dictatorship in the Fifth Republic—daringly clamor about democratic development and international affairs?

The No Tae-u ring should not make fun of the United Nations. If the persons in authority in South Korea sincerely have the will to improve North-South relations and to solve the question of peace in the country and its peaceful reunification, they should not mislead public opinion at home and abroad by uttering false, empty talk in the international arena, but should agree to adopt a declaration of North-South nonaggression and to withdraw U.S. forces and nuclear weapons and should advance toward the road of eliminating the political and physical barrier between the North and the South in order to realize free travel and overall openness between them. Thus, they should show their sincerity and will of the country's peace and reunification through actual acts. As long as they fail to do so, the peace and reunification that they clamor about will be only bogus peace and bogus reunification, no matter how hard they may clamor about them.

Premier, Foreign Minister Leave for UN

SK2709045591 Pyongyang KCNA in English 0445 GMT 27 Sep 91

[Text] Pyongyang September 27 (KCNA)—Yon Hyong-muk, premier of the Administration Council, and a delegation of the DPRK headed by Kim Yong-nam, vice-premier and foreign minister, left here this morning for the 46th session of the United Nations General Assembly.

They were seen off at the airport by Kye Ung-tae, secretary of the Central Committee of the Workers' Party of Korea, Hong Song-nam and Kang Hui-won, vice-premiers, and Zheng Yi, Chinese ambassador to Korea.

Kim Il-song To Visit China 'Soon'

SK2709082391 Pyongyang Korean Central Broadcasting Network in Korean 0800 GMT 27 Sep 91

[Text] The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the DPRK, will soon visit the PRC at the invitation of Comrade Jiang Zemin, general secretary of the Central Committee of the Communist Party of China, and Comrade Yang Shangkun, president of the PRC.

Kim Il-song Receives Japanese Guest

SK2609114191 Pyongyang KCNA in English 1021 GMT 26 Sep 91

[Text] Pyongyang September 26 (KCNA)—The great leader President Kim Il-song today received Ryosuke Yasue, director of the Japanese "Iwanami" bookstore, on a visit to our country.

Present on the occasion were Secretary of the Central Committee of the Workers' Party of Korea Kim Yong-sun and vice-chairman of the Korean Society for Cultural Relations With Foreign Countries Pak Tong-chun.

President Kim Il-song conversed with the visitor in a cordial and friendly atmosphere.

He gave answers to questions raised by the guest.

He was presented with a gift by the guest.

He arranged a luncheon for the guest.

Seminar Marks Anniversary of Joint Declaration

SK2709105791 Pyongyang KCNA in English 1010 GMT 27 Sep 91

[Text] Pyongyang September 27 (KCNA)—A joint seminar of the DPRK-Japan Friendship Association and the Korean Society for Cultural Relations With Foreign Countries was held in Pyongyang on September 27 under the sponsorship of the International Affairs Department of the Central Committee of the Workers' Party of Korea [WPK] on the occasion of the first anniversary of the adoption of the joint declaration of the Workers' Party of Korea, the Liberal Democratic Party and the Social-Democratic Party of Japan on the relations between the DPRK and Japan.

It was attended by Kim Yong-sun, secretary of the WPK Central Committee and supreme advisor of the DPRK-Japan Friendship Association, its advisors Chong Chun-ki, chairman of the Korean Society for Cultural Relations With Foreign Countries, Yi Kye-paek, chairman of the Central Committee of the Korean Social Democratic Party, and Choe Mun-son, chief secretary of the Pyongyang Municipal Committee of the WPK and chairman of the Pyongyang Municipal People's Committee, Kim Yang-kon, vice-director of a department of the WPK Central Committee and chairman of the DPRK-Japan Friendship Association, vice-chairmen and officials of the association, vice- chairmen of the Korean Society for Cultural Relations With Foreign Countries, and other officials concerned.

The supreme advisor, the chairman and vice-chairmen of the association and vice-chairmen of the society took the floor at the seminar.

Saying that one year has passed since the Workers' Party of Korea, the Liberal Democratic Party and Social-Democratic Party of Japan adopted and made public a joint declaration on the DPRK-Japan relations in Pyongyang amid great expectation and concern at home and abroad, the speakers referred to the significance of the joint declaration in putting an end to and improving the abnormal relations which have long existed between the two countries.

They were unanimous in saying that the declaration based on the idea of independence, peace and friendship, was an epochal occasion in normalizing the diplomatic relations between the DPRK and Japan and developing new good neighbourhood and friendship.

The declaration reflects the requirements of the times and the unanimous desire of the two peoples to be near and friendly nations from "near and faraway nations," and their fundamental interests, they noted, and continued:

The peoples of the DPRK and Japan have expressed full support and approval to it from the firsts days after its publication and earnestly hope that it will be implemented at an early date.

The declaration clearly indicates matters of principle and ways of thoroughly liquidating the wrong past between the two nations and establishing the diplomatic relations between the two countries including the question of officially apologizing to the DPRK for the damages inflicted upon the Korean people by Japan during its past 36-year long colonial domination over Korea and for the 45 ensuing years and fully compensating for them.

Pointing out that the declaration indicates the questions of developing exchanges between the two countries in politics, economy, culture and other fields, the speakers stressed that their realisation would contribute to improving the DPRK-Japan relations and deepening understanding between the two peoples.

Denuclearisation of the Korean peninsula and the independent and peaceful reunification of the country are very urgent in guaranteeing peace and security in Japan and the rest of Asia, the speakers noted, adding that the joint declaration underlined that Korea is one and the North and the South must make joint efforts to achieve peaceful reunification of the country and build a peaceful and free Asia.

They emphasized that the Japanese Government must ensure the national rights and human rights of Koreans in Japan by law as indicated in the joint declaration.

Recently, travels between political parties, parliaments, social organisations and friendship organisations of the two countries have become more active than ever before, the speakers stressed, and said: This proves the justness and vitality of the three-party joint declaration.

After the joint declaration was published, intergovernmental full-dress talks of the two countries for the normalization of diplomatic relations started and have been held on several times, they noted, adding: Only when the talks are held in the spirit of the joint declaration can they register successes in accordance with the common aspirations and desire of the two peoples.

It is urgent not only for the development of friendship between the two peoples under the present-day situation but also for peace and security in Asia and the rest of the world that the Workers' Party of Korea, the Liberal Democratic Party and Social-Democratic Party of Japan should make joint efforts to implement their joint declaration, the speakers said, and stressed:

The Workers' Party of Korea will in the future, too, strive with sincerity for the implementation of the three-party joint declaration.

U.S.-South 25 Sep Air Exercise Reported

SK2709050191 Pyongyang KCNA in English 0441 GMT 27 Sep 91

[Text] Pyongyang September 27 (KCNA)—The U.S. Pacific Navy Command on September 25 mobilized formations of assault planes and refueling tankers in a joint aerial strike exercise aimed at increasing capabilities of surprise strikes at targets in the inland areas of the Northern half of Korea, according to military sources.

On the same day, the U.S. imperialists sent a Pacific-based E-3A AWACS plane to the sky above South Korea to make a shuttle flight from east to west along the Military Demarcation Line (MDL) for an espionage on targets in the wide areas and depths of the North side, while commanding flying corps mobilized in an aerial war game.

In separate action, the South Korean puppets that day drove a large number of puppet army infantry units, artillery pieces, tanks and armored vehicles to Tongduchon and Pochon near the MDL to stage a frantic ground attack exercise with the support of formations of fighter-bombers.

That day, heavy tank groups of the puppet army massed near Kumsan-ri, Paju County, held a provocative maneuver under our very eyes, moving toward Munji-ri of the same county near the MDL together with various combat vehicles. And 105 mm gun groups of the puppet army entrenched in Chongja-ri, Paju County, kicked up a fuss, firing volleys toward Kogok-ri of the same county, a place near the MDL.

This vividly shows that the U.S. imperialists and the South Korean puppets are recklessly running about to intentionally aggravate the situation on the Korean peninsula.

South Korean Student Defector Interviewed

SK2609113291 Pyongyang KCNA in English 1013 GMT 26 Sep 91

[Text] Pyongyang September 26 (KCNA)—Kim Yong-kyu, 30, a South Korean student who came over to the northern half of the country in July through a third country while studying in the second grade of the information management course of the industrial administration department of Senshu University, Japan, today met with home and foreign reporters at the People's Palace of Culture.

He graduated from the fibre engineering course of Puchon College of Technology and was drifted to the South Korean puppet army in May 1983 and went to Japan in April 1986 to study.

His two sisters and youngest brother live in Japan and his elder and younger brothers live in South Korea.

Explaining the motive of his defection, Kim Yong-kyu said that, in a nutshell, it was his longing for the society of the North where the soul of the nation is alive and genuine justice prevails.

He said during his service in the puppet army, he listened to radio of the North and read its publications and began to look up the North with envy.

Turning to the conditions of the South Korean students studying at Japanese schools, he said they work at bars doing odd jobs or washing dishes, but their salaries are less than a half of those of the Japanese.

Now the South Korean authorities urge South Koreans going to foreign countries including Japan to be cautious with Chongnyon [General Association of Korean Residents in Japan] and refrain from contacting it, branding it as a "pro-North plot-breeding organisation," Kim Yong-kyu said, adding: But, the South Korean students studying in Japan regard Chongnyon as a dignified organisation of overseas Koreans which fights to defend and realise the democratic national rights of Korean residents in Japan.

The "security-oiented rule" of No Tae-u in South Korea is not for common peace and order, but it is a fascist repressive politics to block the strong advance of the masses for reunification and democracy, Kim Yong-kyu said, branding the present ruling group as a truculent murderous group which surpasses by far the "Fifth Republic."

He told newsmen that a majority of the Japanese people and Koreans in Japan feel resentment at the wrong acts of the Japanese authorities in laying artificial obstacles to an early normalisation of DPRK-Japan diplomatic relations and are strongly demanding their early normalisation.

In the embrace of the DPRK, I have keenly felt that ours is the most dignified and greatest nation in the world, he said, and continued:

In South Korea and Japan, I thought our nation, a "small nation," is destined to be trampled by outside forces and by bigger nations. But, witnessing the pulsating realities of the North, I have become convinced that our nation is the best in the world.

I think our nation has become the most dignified and greatest nation in the world as today entirely because it is guided by the great General Kim Il-song and the dear leader Mr. Kim Chong-il.

Daily Denounces 'Fascist Regimes' in South

SK2609153491 Pyongyang KCNA in English 1517 GMT 26 Sep 91

["'Fifth Republic' and 'Sixth Republic'—Twin Pro-U.S. Fascist 'Regimes'"—KCNA headline]

[Text] Pyongyang September 26 (KCNA)—NODONG SINMUN today brands the "Fifth Republic" of Chon Tu-hwan and the "Sixth Republic" of No Tae-u in South Korea as twin pro-U.S. fascist "regimes" framed up in conformity with the will and interests of the United States and manipulated and backed by the United States.

The paper says:

These days the forces of the "Fifth Republic" dictatorship of Chon Tu-hwan are raising their heads and displaying hectic activities to stage a comeback to politics. This shows that Chon Tu-hwan and No Tae-u are in the same boat and inseparably glued together.

Chon and No are pro-U.S. lackeys hand-raised by the United States long ago.

Chon's "Fifth Republic" and No's "Sixth Republic" are quite the same in their pro-U.S. flunkeyist and treacherous nature.

They are twin military fascist "regimes" which grew out from the stump of military dictatorship planted by force in South Korea by the United States.

Chon and No are school mates of the same term of the puppet military academy and ran amuck in the whole course of establishing and maintaining the military fascist "regime" under the patronage of the United States. They became closer friends after the "Yusin" dictator Pak Chung-hi died a miserable death as a result of the massive anti-U.S., anti-fascist struggle of the South Korean people, and they always cooperated with each other in the efforts to maintain and prolong the military dictatorship under the manipulation of U.S. imperialism.

Chon's dictatorial "regime" was based on the "Yusin" dictatorship, and No's "Sixth Republic" is a military fascist "regime" which shares the same root and trunk with Chon's, as it took over Chon's dictatorial ruling system as it was.

It is not fortuitous that No Tae-u is reviving the dictatorial forces of Chon Tu-hwan and overtly siding with them.

South Police Report on Death of Student Condemned

SK2709044991 Pyongyang KCNA in English
0436 GMT 27 Sep 91

[Text] Pyongyang September 27 (KCNA)—The South Korean puppet police agency on September 24 published an "opinion on legal examination" of the fatal pistol shooting at Han Kuk-won, a Seoul National University postgraduate, a Seoul-based radio reported.

The authorities alleged that the murderer's act is an "act of self-defence" which does not contravene the law nor can be regarded as a "crime."

This is a brigandish logic and brazen sophism.

They who do not hesitate to take to prison students and people who call for independence, democracy and reunification, bringing hideous "charges" against them for the mere reason that they want reunification and demand the democratization of society, are now describing a murder on the scene of a demonstration as an "act of self-defence."

This is the height of folly.

This jargon of the fascist group is an unpardonable challenge, meant to continue with its acts of nation-butchery.

Students Denounce Killing of South Student

SK2609120691 Pyongyang KCNA in English
1029 GMT 26 Sep 91

["Students of Doctoral Institute of Kim Hyong-chik University of Education Denounce Brutal Murder of Han Kuk-won by U.S. Imperialists and No Tae-u Ruling Group"—KCNA headline]

[Text] Pyongyang September 26 (KCNA)—The students of the doctoral institute of Kim Hyong-chik University of Education today met and bitterly denounced the U.S. imperialists and the No Tae-u ruling group for brutally murdering Han Kuk-won, a postgraduate of Seoul National University of South Korea.

The speakers at the meeting said the killing of Han Kuk-won by a pistol shooting was not an "accident" but a direct result of the savage and bestial military fascist rule of the No Tae-u ruling group engaged in suppression and murder under the manipulation of U.S. imperialism.

They said that with nothing can the No Tae-u fascist group conceal its true colour as the mastermind of the murder or shirk the responsibility as the principal criminal.

History and the nation will never pardon the traitor No Tae-u with a hideous criminal record behind him, they warned.

They strongly urged the No Tae-u military fascist group to lend an ear to the people's voices of justice, immediately stop the reckless suppression and step down at once, before it is too late.

Minister Reports on Consumer Goods, Services

SK2709024691 Pyongyang Korean Central
Broadcasting Network in Korean 0700 GMT 14 Sep 91

[Report by Han Chang-kun, minister of commerce, made at a report meeting held the morning of 14 September at the People's Palace of Culture to mark the 20th anniversary of the publication of Kim Il-song's work "On Improving the Supply of Consumer Goods to the Working People"—portions recorded]

[Text] [Begin recording] Today our people significantly greet the 20th anniversary of the publication of the great leader Kim Il-song's work, "On Improving the Supply of Consumer Goods to the Working People," under the formidable circumstances in which the entire party and all of the people are vigorously launching into the general march movement upholding the militant task set forth by the great leader Comrade Kim Il-song in this year's New Year address and are demonstrating to the world the cause of the popular masses- centered socialism of our own way and in which the struggle to achieve national reunification in the nineties without fail is being vigorously waged.

Greeting this significant day all functionaries in the commercial sector recall with dignity the proud path that the chuche-oriented socialist commerce of our country has traversed, and they cannot repress their infinite feeling of gratitude toward the wise leadership of the great leader and the dear comrade leader and the boundless love that they bestowed upon the people along this path. They are also burning with the zeal of loyalty to effect a great new turn in the implementation of the policy of carrying out the revolution in the service sector upholding the party's slogan, "We serve the people."

Correctly solving the issue of commerce in socialist society is very important in constantly improving the people's material and cultural life and in enhancing the superiority of the socialist system. Only when the party and the state of the working class correctly solve (?commercial) problems can they take care of the living of the popular masses, the masters of the socialist society; fully provide the working people with an independent and creative material and cultural life; and show the superiority and vitality of socialism in all sectors of the people's living.

Thanks to the chuche-oriented ideology and theory on commerce set forth by the great leader and the dear comrade leader and their wise leadership for the realization of this ideology and theory, the commerce in our country has been brilliantly solved as the model of socialist commerce which fully serves the working masses of people in accordance with our own unique way.

The great leader—who has unfolded a new era of chuche by creating the immortal chuche idea and who has, thus, identified the working masses of people, the object of exploitation and oppression for a long time in the past, as the masters of the era and history—not only has fully elucidated the unique ideology of socialist commerce by brilliantly embodying the profound principles of chuche in the commercial sector, but has also given complete answers to all theoretical and practical problems arising in realizing this unique ideology.

Thanks to the unique chuche-oriented ideology on commerce elucidated by the great leader and thanks to his wise leadership for its realization, the most superior and people-oriented socialist commercial system of our own way, which takes care of the people's living in a responsible manner, has been established in our country today. The most superior socialist commercial system established in our country today was founded and has been strengthened and developed under the energetic leadership and the hands of love of the fatherly leader who has devoted his whole life to the cause of the people's happiness.

In the arduous days of the anti-Japanese revolutionary struggle to smash the brigandish Japanese imperialists the great leader personally unfolded a far-sighted plan for founding a new type independent and people-oriented commerce on the land of a liberated fatherland in the future and established the glorious revolutionary tradition of building the socialist commerce of our country.

In the first stage of building a new society the great leader immediately founded state and consumer cooperative stores based on the successes attained in various democratic reforms, and thus opened the new era of socialist commerce which served the popular masses for the first time in our history. The founding of socialist commerce in our country was the brilliant embodiment of the chuche-oriented commerce building ideology which the great leader had planned since the period of the anti-Japanese revolutionary struggle. It was also an epochal event which declared the birth of a new type, chuche-oriented commerce.

Despite his busy days of leading the construction of a new society, the great leader paid deep attention to consolidating and developing the newly founded socialist commerce, clearly elucidated its mission and the principles of its activity, and energetically led socialist commerce so that it could constantly enhance its leading position in the commercial networks of the country. Thanks to the wise leadership of the great leader and his meticulous oversight, even in the days of the fierce Fatherland Liberation War on which the fate of the country was hinged we were able not only to fully enhance the superiority and vitality of socialist commerce which serves the people, but also to contribute to stabilizing and improving the people's wartime living.

Based on the mature demands of the developing revolution and the brilliant success attained in the development of socialist commerce and as the cooperativization of agriculture and the socialist reform of urban handicrafts entered completion in our country the great leader set forth a unique policy of gradually reforming commerce in a socialist way while restricting private commercial activity and wisely led the struggle for the implementation of the policy. Thus, the great leader saw to it that an overall victory was achieved in the socialist commercial system.

As the socialist commercial system prevailed in a unitary way under the wise leadership of the great leader the intermediate exploitive elements which trampled underfoot the interests of the working masses of people in the commercial sector were thoroughly eliminated, and the socialist commerce of our country entered a new higher stage for its development on the basis of the most chuche-oriented and people-oriented commercial system.

To consolidate and develop the socialist commercial system in conformity with the demands of the deepening and developing revolution and construction and to further enhance its superiority the great leader Comrade Kim Il-song personally arranged a national meeting of commercial functionaries on 15 September 1971, announced his work, "On Improcving the Supply of Consumer Goods to the Working People" at the meeting, and bestowed upon us the great love and benevolence of designating this day as the Day of Commerce. [applause]

In the work the great leader elucidated in detail the superiority of the socialist commerce of our country based on his overall analysis of the proud successes attained by our party in the struggle to consolidate and develop the socialist commercial system. In the work the great leader also set forth in detail not only the task of firmly establishing functionaries' ideological preparedness and technological and working-level preparedness, but also the tasks to improve the supply of consumer goods to the working people and the service activity for them. Thus, the great leader clearly elucidated the way to further strengthen and develop the socialist commercial system into a most people-oriented and chuche-oriented commercial system which outstandingly serves the popular masses.

This historic work of the great leader is an immortal classic document which has developed and enriched the ideology and theory on building the chuche-oriented socialist commerce into a new high stage. [applause]

In the work the great leader declared the outstanding and unique ideology that the superiority of socialist commerce lies in the fact that it serves workers, peasants, and the rest of the popular masses, contributes to eliminating differences between town and countryside, and smoothly supplies high-quality goods to the people. This exposition by the great leader on the superiority of socialist commerce constitutes the classical explanation of the people-oriented character of the unique socialist commercial system of our own style which fully serves the popular masses. It has also become the guiding principle that our party and our people should consistently grasp and adhere to in the struggle for developing socialist commerce.

The greatest superiority of the socialist commercial system of our own style, which has thoroughly embodied the fundamental demands of the great chuche idea, lies precisely in the fact that the system fully serves the working masses of people, who are the masters of the state and society. In the socialist society in which the popular masses are the genuine masters of the state and society and in which all things in society serve the people, a commercial system which serves the people and takes care of their living in a responsible manner should be established. Otherwise, the superiority of socialist commerce cannot be enhanced nor can the people's living be constantly improved.

The great leader Comrade Kim Il-song has taught: Socialist commerce is, in essence, the work of supplying consumer goods to the people. Therefore, to improve the working people's living it is very important to develop commerce.

By elucidating that the essence of socialist commerce is the supply of consumer goods to the people, the great leader has clearly elucidated that commerce is not only a genuine economic lever under socialism, but is also an important means with which the party and the state take care of the people's living in a responsible manner, as well as the political work which contributes to realizing independence of the working masses of people. With the elucidation of the unique ideology that the essence of socialist commerce is the supply of consumer goods to the people, the firm ideological and theoretical foundation not only to establish the people-oriented commercial system of our own style, which serves the working masses of people, but also to fully enhance its superiority has been provided.

The superiority of socialist commerce which fully serves the popular masses finds expression in the fact that functionaries of the commercial sector work hard with the spirit of serving the people and devoting their all to improving the people's living. Stressing that to consolidate and develop the socialist commercial system and to enhance its superiority it is important first of all for functionaries of the commercial sector to establish ideological preparedness in conformity with the demands of the socialist commercial system, the great leader set forth the task of fostering commercial functionaries into genuine servants who serve the people and into chuche-type communist human beings and has wisely led the struggle for its realization. [end recording]

The reporter then indicated that the socialist commerce of our country has actively contributed to promoting the people's living by thoroughly serving the popular masses under the wise leadership of the great leader and the dear comrade leader and continued:

[Begin recording] Thanks to the wise leadership and the meticulous oversight of the great leader and the dear comrade leader, the socialist commerce of our country has been able not only to traverse the road of brilliant victory and glory until today, but also to be constantly strengthened and developed into a most people-oriented socialist commerce which actively contributes to promoting the people's living.

Indeed, the entire course of the socialist commerce of our country is the history of the tested leadership of the great leader and the dear comrade leader who founded the chuche-oriented socialist commerce of our own style and have led it to the single road of victory. It is also the glorious course in which the noble virtue of the fatherly leader and the dear comrade leader—who have unfolded the epics of infinitely lofty love toward the people—is brilliantly embellished.

At this significant meeting which greets the 20th anniversary of the publication of the great leader's work, "On Improving the Supply of Consumer Goods to the Working People," along with the infinite feelings of reverence and the burning mind of loyalty of all of our people, I extend the greatest honor and the warmest gratitude to Comrade Kim Il-song, the respected and beloved leader of our party and people—who founded the chuche-oriented socialist commerce of our own style by embodying the immortal chuche idea in the commercial sector, who has wisely led us in constantly strengthening and developing it, and who has, thus, bestowed great glory and happiness upon us today—and to the dear leader Comrade Kim Chong-il who is the great successor to the chuche revolutionary cause and who is the sagacious leader of our party and our people. [applause]

All functionaries in the commercial sector should deeply realize the demands of the times and the revolution and display the revolutionary spirit of Paektu, the spirit of Chollima. Thus, they should vigorously wage the general march movement of loyalty to more thoroughly implement the programmatic teaching elucidated by the great leader in his historic work and the task set forth by him in his New Year address of this year. We should more firmly establish chuche in the revolution and construction and should actively struggle to further strengthen and develop socialist commerce into a most chuche-oriented and people-oriented socialist commerce of our own style.

All functionaries in the commercial sector should more firmly arm themselves with the chuche idea, the revolutionary ideology of our party, should firmly rally as one around the party and the leader, and should uphold the party's leadership with loyalty. Thus, they should unconditionally and thoroughly safeguard and implement our party's line and policy for the development of socialist commerce.

All functionaries in the commercial sector should keep in mind the dear leader Comrade Kim Chong-il's replies to members of the second party cell of the Fifth Bureau of the Korean Central News Agency and functionaries of the Korean Literary Production Group and should become eternal companions, faithful supporters, and outstanding advisors of our party—who share their destinies with the party without the slightest trepidation under any difficult circumstances—and resolute defenders and thorough implementors of our party's policies.

To this end, they should firmly prepare themselves to become genuine loyalists and dutiful children who are boundlessly loyal and dutiful to the great leader and the dear comrade leader. They should also become genuine functionaries who serve the people by further enhancing their spirit of serving the people. We should also more properly implement the party's policy of carrying out the revolution in the service sector and, thus, should effect constant upsurge and innovation in consumer goods supply work and public food supply and service work.

Functionaries in the commercial sector should properly implement the custom order system in the supply of consumer goods and strictly establish the consumer goods supply system and the discipline of supplying them. Thus, they should more smoothly provide the people with a more equal and affluent material and cultural life by ensuring that consumer goods are evenly distributed to them.

Functionaries in the commercial service sector should establish the consumer goods [words indistinct] in conformity with the realistic demands and should thoroughly establish the order of supplying all consumer goods through wholesale and retail organs.

Functionaries in the wholesale commercial sector should correctly establish the wholesale commercial system, should correctly order consumer goods in conformity with people's demands, should make contracts in a timely manner, should strengthen cooperation with production organs, should receive goods ordered in a timely manner, and distribute them in conformity with the peculiarities and demands of regions, seasons, and social strata. Thus, they should establish the orderly system of delivering and supplying consumer goods to retail organs.

Functionaries in the wholesale commercial sector should give priority to supplying consumer goods to those workers who work at the difficult and arduous sectors, including farm villages, mines, and coal mines, and who work at the sites of plant construction. They should also properly do (?long-range) consumer goods supply work so as not to give even the slightest degree of inconvenience to the people's living.

Functionaries in the commercial fuel sector should modernize the production of briquets and should smoothly supply good-quality briquets, petroleum, and gas in a timely manner. Functionaries in the public food supply work sector should modernize food supply service facilities, should more properly maintain them sanitarily and culturally, should enhance their technological and skill level, should make food processing work scientific, and, thus, should epochally enhance the quality of food.

Functionaries in the service sector should modernize service facilities, should more properly maiantain them sanitarily and culturally, should expand the content of service work, and, thus, should further improve the qualitative level of service work.

All functionaries in the commercial sector should further increase the production of [word indistinct] and spare parts of service materials. Functionaries in the commercial sector should constantly improve service organization and service methods, proceeding from the principle of providing the people with conveniences in their living and should enhance their service spirit. Thus, they should offer kind and courteous services to the people at all the times.

Functionaries in the commercial sector should rise up as one in the struggle to implement our party's policy of carrying out the revolution in the service work sector unholding the revolutionary banner of the chuche idea and advancing along the single road designated by the great leader and the dear comrade leader. Thus, they should demonstrate to the world the superiority of our socialist commercial system and the great vitality of socialism of our own style in which the leader, the party, and the masses firmly unite as one mind and are advancing. [applause] [end recording]

Daily Stresses Chemical Industry Development

SK2709081291 Pyongyang Korean Central Broadcasting Network in Korean 0007 GMT 18 Sep 91

[NODONG SINMUN 18 September editorial: "Let Us Continue To Put Great Efforts Into the Development of Chemical Industry."]

[Text] While the great leader Comrade Kim Il-song gave on-the- spot guidance to various fields of the national economy in the South Hamyong Province and North Hamgyong Province, he put forward the tasks arising in more rapidly developing the chemical industry.

Upholding the teachings of the great leader Comrade Kim Il-song, we should continue to put great efforts into the development of chemical industry.

The great leader Comrade Kim Il-song has taught: The development of the chemical industry is very important in strengthening the self-reliant national economy and in improving the living standard of the people.

The chemical industry is one of the key industries. The rapid development of the chemical industry is an important guaranty to strengthen the self-reliant national economy. In order to strengthen the self-reliant national economy, we should expand and strengthen the infrastructure of industrial raw materials based on domestic resources by developing the chemical industry. Only then can the nation's rich natural resources be fully mobilized and utilized and can all industries be rapidly developed on the basis of our own raw materials.

If the chemical industry is developed, natural resources that have not been utilized as yet can be effectively utilized. Other useful raw materials can be unreservedly utilized.

More rapidly developing the chemical industry has a very important meaning in improving the living standard of the people. Improving the living standard of the people is the supreme principle in our party's activities. In order to carry out this principle, we should develop the chemical industry. Only then can more various chemical fertilizers and pesticides for rural areas be produced. As a result, the widespread use of chemicals in the rural economy can be realized, agricultural production can be increased, and the food issue can be satisfactorily settled.

In our country where the scale of light industry becomes larger, only when the chemical industry is more rapidly developed and when the issue of raw materials for light industry is smoothly settled, can a great upsurge be effected in the production of people's consumer products.

At present, putting into full operation plants and enterprises in all domains of the national economy, including light industry plants, and normalizing production at a high level largely depend upon the role of the chemical industry.

All functionaries and working people in the chemical industry and in the domains related to the chemical industry, upholding the great leader Comrade Kim Il-song's teachings on developing the chemical industry, should more vigorously stage the struggle to carry out his teachings. Above all, what is more important to this end is to make epochal increases in production by effectively using the already- founded base of the chemical industry.

The effective use of the already-founded base of the chemical industry is a question related to the economic efficiency of investment. This is the policy that our party has consistently maintained in developing the chemical industry. Only when the already-founded base of the chemical industry is effectively utilized can the production of chemicals be rapidly increased without taking pains for investment. Thus, the increasing demand for chemicals in the national economy can be smoothly met.

Under the wise leadership of the party and the leader, many modern chemical bases have been established throughout our country. The party's policy of developing the chemical industry for light industry and the rural economy has been thoroughly carried out. This greatly strengthens the material and technological bases of large-scale chemical plants and small- and medium-sized chemical plants, including the 28 February vinalon complex, the Hungnam fertilizer complex, and the Namhung youth chemical complex.

If only already-founded bases are fully mobilized and utilized, more chemicals can be produced. The question is how our functionaries and working people struggle to effectively utilize the already-founded bases for the chemical industry.

All party members and working people in the domains of the chemical industry should bear in mind that an important way to rapidly increase production without making great efforts for investment lies in fully mobilizing and utilizing the already- founded base of chemical industry. They should vigorously struggle to put into full operation exiting plants and enterprises.

To this end, we should properly manage facilities. Facilities in production are like weapons in the army. Chemical plants should thoroughly grasp existing facilities, reasonably use them, and make it a rule to systematically manage and repair them.

At present, fertilizer plants should rapidly finish repairing production facilities for chemical fertilizers, and vigorously begin the production of chemical fertilizers for a new manuring year.

The producing masses are masters of the facilities, and they are in direct charge of the management of facilities. None have more knowledge of facilities than the producing masses. Plants and enterprises should thoroughly set up a facility-managing system by the producing masses. Plants and enterprises should also promote facility-managing work in conformity with the strength and wisdom of the producing masses.

Plants and enterprises should vigorously launch the campaign of creating the meritorious district of loyalty to follow the model of No. 27 lathe, and they should see to it that the producing masses acquainted themselves with the facilities and manage them like their own bodies.

Rapidly complementing production processes is one important way to effectively utilize the current base of the chemical industry. The chemical industry and other related domains should properly choose a target in need of repair and the complimentary production processes, and should press ahead with organizational work to carry out the target. By doing so, they should newly complement missing production processes and should rapidly finish complimentary missing production sectors.

Now, South Hamgyong Province, upholding the great leader Comrade Kim Il-song's on-the-spot guidance, is vigorously promoting the work of modernizing and enlarging the production facilities of Hungnam fertilizer complex and the 28 February vinalon complex. In addition, South Hamgyong Province is accelerating the work of transforming technology and facilities and the project of expanding capacity.

In South Hamgyong Province where large-scale chemical plants directly related to the people's life exist, we should see to it that the projects under way are completed as soon as possible by exerting great efforts.

All party members and working people, who are mobilized for construction, should pool their strength and wisdom and highly display the revolutionary spirit of self-reliance and fortitude. By so doing, they should rapidly complete the project of modernizing and enlarging the facilities of the Hungnam fertilizer complex. They should finish the project of installing oxygen separators to increase various chemicals, including vinalon and vinyl chloride, and expanding the capacity of the 28 February vinalon complex.

All related plants and enterprises across the country should produce and guarantee without fail facilities and equipment needed for the construction of the Hungnam fertilizer complex and for the construction of the 28 February complex. They should further strengthen material and technological support.

Smoothly guaranteeing raw materials, equipment, materials, and electric power is an important task to normalize production at a higher level through the utilization of already-founded infrastructure of the chemical industry.

Units and domains, including mining and power industries, which should guarantee raw materials and equipment, should understand that the development of the chemical industry largely depend on their own role. They should concentrate their efforts on guaranteeing coal, limestone, apatite, electric power, raw material, fuel, and power.

The chemical industry domains should strengthen the campaign to create technological innovation, greatly lower the rate of power consumption per a commodity, and conserve raw materials and equipment to the utmost.

In order to increase the production of chemicals, functionaries should effect an upsurge in organizing and commanding production. Without correct organization and command, it is impossible to reasonably utilize labor, facilities, raw materials, and equipment. Thus, production cannot be properly promoted.

Functionaries in the chemical industry fields should, in keeping with the developing reality, more properly carry out planning work, the work of guaranteeing equipment, the work of using labor, and the work of managing facilities.

Party organizations should vigorously inspire the party members and the working people to struggle to carry out the party's demand for putting great efforts into the development of the chemical industry.

Party organizations at every level in the domain of the chemical industry should continue to deeply explain and propagandize the great leader Comrade Kim Il-song's teachings on putting effort into the development of the chemical industry to functionaries, scientists, technicians, and workers. In addition, party organizations lead them to responsibly carry out their assigned tasks with the revolutionary spirit of self-reliance. By so doing, they should see to it that the chemical industry makes a greater contribution to improving the living standards of the people.

League of Socialist Working Youth Holds Plenum

SK2709051991 Pyongyang KCNA in English
0447 GMT 27 Sep 91

[Text] Pyongyang September 27 (KCNA)—The 19th plenary meeting of the Central Committee of the League of Socialist Working Youth (LSWY) was held here on September 25 and 26.

Discussed at the meeting were the tasks of the LSWY organizations to carry through the tasks set forth in "Young Men and Women, Be the Young Vanguard Unfailingly Loyal to the Party and the Leader," a letter of the dear leader Comrade Kim Chong-il to the young people throughout the country and the workers of the LSWY, who were greeting the first youth day, and the matter of improving and strengthening physical culture and sports among young people in hearty response to the party's intention.

The plenary meeting stressed that LSWY organizations at all levels and their workers must strengthen education among the young people to make them cherish loyalty as their revolutionary faith and obligation.

It also elaborated on the need to arm young people with high class consciousness and unswerving working class viewpoint and educate them to deeply cherish the Korean-nation-first idea.

It laid stress on preparing young people to be genuine communists who treasure and love the organization and collective and devote themselves to the interest of the collective under the revolutionary slogan "One for all, all for one!"

Calling upon young people to play a vanguard role in the practical struggle for creation and construction to add lustre to the socialist homeland, the plenary meeting put forward measures to develop in depth various mass movement including the youth shock brigade campaign, the youth workteam movement and the good conduct movement.

The plenary meeting also set forth tasks of the LSWY organizations to stand young people in the van of the noble struggle to bring earlier national reunification, the greatest cherished desire of our nation, and strengthen solidarity with the progressive youth of the world.

It stressed that all the LSWY organizations and workers should firmly prepare youth and students to be dependable successors to the revolutionary cause of chuche who have strong physical strength.

KCNA Reviews 27 Sep Pyongyang Press

SK2709052591 Pyongyang KCNA in English 0453 GMT 27 Sep 91

[Press review]

[Text] Pyongyang September 27 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il- song received the director of the Japanese "Iwanami" bookstore.

NODONG SINMUN prints a message of greetings to President Kim Il- song of the Democratic People's Republic of Korea sent by Zine El Abidine Ben Ali, president of the Republic of Tunisia, in support of the DPRK's entry into the United Nations and messages of greetings to him sent by Khaleda Zia, prime minister of the People's Republic of Bangladesh, and the Central Committee [C.C.] of the Cyprus Progressive Party of the Working People, on the occasion of the 43rd anniversary of the founding of the DPRK.

The paper carries a message of greetings to the Central Committee of the Workers' Party of Korea from K. P. Silva, general secretary of C.C., the Sri Lanka Communist Party, on the 43rd founding anniversary of the DPRK.

The paper informs the readers that President Kim Il-song's work "Let Us Achieve the Great Unity of our Nation" was studied and disseminated in foreign countries.

President Kim Il-song founded the Association for the Restoration of the Fatherland, a nationwide organisation of the anti-Japanese national united front, on May 5, 1936 and wisely organized and led the work of expanding and developing its network in broad area at home and abroad, says an article of the paper.

Works of the dear leader Comrade Kim Chong-il were studied and disseminated abroad, according to the press.

MINJU CHOSON deals with the deep trust and care shown by Comrade Kim Chong-il to Pak Myong-pin, who was director of the urinary hospital under the Korean Red Cross General Hospital.

Econews of the press includes reports that the second-stage construction of tramline in the capital is being accelerated and the Yanggang provincial mining complex increased mineral production capacity.

NODONG SINMUN gives accounts of the 19th plenary meeting of the Central Committee of the League of Socialist Working Youth and a national meeting for swapping experiences of men of merited services.

Appearing in papers is news that a joint declaration on the establishment of diplomatic relations between the DPRK and the Lithuanian Republic was signed in Lithuania.

The Korean ambassador paid a courtesy call on the Togolese prime minister, the national secretary general of the Popular Action Party of Peru, the secretary-general of the National Executive Committee of the American Popular Revolutionary Alliance of Peru and the chairman of the Danish Workers' Party, Common Cause met separately with the Korean ambassadors, according to the press.

NODONG SINMUN gives an account of a meeting of students of doctoral institute of Kim Hyong-chik University of Education held to denounce the U.S. imperialists and the No Tae-u fascist group for murdering a postgraduate of Seoul National University.

Kim Yong-kyu, a South Korean student, who has come over to the northern half of the country while studying in Senshu University, Japan was interviewed by reporters, the North-South working-level talks of students on September 26 proved abortive owing to the obstructive moves of the South Korean authorities, says the press.

Papers in commentaries condemn the No Tae-u who openly pursued the "two Koreas" policy in his speech at the 46th session of the U.N. General Assembly.

MINJU CHOSON runs a commentary denouncing the No Tae-u ruling group for describing the murder of a postgraduate of Seoul National University as "reasonable act" and announcing that it would "discuss only responsibility for indemnifying" the bereaved family.

The DPRK's admission to the United Nations was supported in foreign countries and the organ of the Japan Social-Democratic Party carried a special writeup on the 43rd founding anniversary of the DPRK, says NODONG SINMUN.

Comrade Jiang Zemin in his recent speech emphasized that only socialism can save China, Comrade Fidel Castro stated that Cuba would maintain socialism unswervingly and the general secretary of the French Communist Party stressed that future society would be socialist society, according to the press.

International news columns of NODONG SINMUN include reports that Chinese PEOPLE'S DAILY carried an article entitled "Let Us Make Marxism-Leninism and Mao Zedong's Idea Prevail in University Camp" and the general secretary of the Revolutionary Party of Tanzania laid stress on strengthening the party and developing the national economy.

Given in the press is an account of a meeting marking the 31st anniversary of the independence of Nigeria held in Pyongyang.

South Korea

'Large-Scale' Anti-Kim Il-song Rally Claimed

SK2709013191 Seoul KYONGHYANG SINMUN in Korean 27 Sep 91 p 2

[By Tokyo-based correspondent Yi Tong-chu]

[Text] Japan's SANKEI SHIMBUN reports on 27 September that large-scale anti-Kim Il-song demonstrations were staged in North Korea's Sinuiju immediately after the Soviet coup d'etat.

Quoting witnesses in Dandong, China, a city adjacent to the North Korea-China border, this newspaper reported that approximately 4,000 citizens on 27 August staged street demonstrations in Sinuiju by shouting anti-Kim Il-song slogans, and that thus the army and police were mobilized to repress the demonstrators.

Kim Il-song Relative Allegedly Visited Japan

SK2709035991 Seoul YONHAP in English 0230 GMT 27 Sep 91

[Text] Tokyo, Sept. 27 (YONHAP)—North Korean President Kim Il-song's son-in-law, in disguise and using a false passport, recently traveled to Tokyo and met with Japanese officials, according to the latest issue of the weekly SHUKAN BUNSHUN.

Chang Song-taek, 45, flew into Narita International Airport at 9:35 P.M. Sept. 12 aboard a Japan Airlines flight from Beijing using the alias Yi Min and posing as a senior member of the Pyongyang City Construction Committee, SHUKAN BUNSHUN says.

He is the first relative of Kim Il-song to visit the West, the weekly said, carrying a photo of a man in glasses that it says is Chang.

Chang is married to Kim Kyong-ae, the eldest daughter of Kim and his late wife Kim Chong-suk. He is among the people who are second in line to become absolute ruler of North Korea after Kim Chong-il, Kim's son and heir-apparent, the weekly reports.

Chang, said to be vice chief of the Workers (Communist) Party's organization department, is rumored to have brought with him a key to the on-going normalization talks between Pyongyang and Tokyo and met with several Japanese officials, the magazine says.

Deputy Premier Views Unification Prospects

AU2609125391 Hamburg DIE WELT (WELT REPORT Supplement) in German 26 Sep 91 p II

[Interview with Choe Ho-chung, ROK minister of national unification and deputy prime minister, by DIE WELT correspondent Fred de La Trobe in Seoul; date not given: "We Expect Tensions To Ease"]

[Text] [De La Trobe] Mr. Minister, the two Korean states were accepted as full UN members at the same time. Is the accession of North Korea, which has so far always advocated joint UN membership for Korea, a sign that a change in its policy is in the offing, or was accession unavoidable for the government in Pyongyang, since neither the Soviet Union or China voted against accepting South Korea?

[Choe] North Korea's attempt to prevent South Korea's acceptance in the United Nations failed, and North Korea had to change its position. The statement by the North Korean Foreign Ministry says that there was no alternative to UN membership. It was necessary to prevent important Korean issues from being dealt with in a biased manner on the UN stage. North Korea affirmed that its decision to join the United Nations will not change its advocacy of "one Chosun (Korea)." Thus, there is no real change to be expected in the foreseeable future in North Korea's internal and inter-Korean policy.

[De La Trobe] However, do you expect the accession of both states to the United Nations to intensify inter-Korean dialogue and that this will lead to an easing of tensions on the Korean peninsula?

[Choe] We hope that UN membership will lead to the establishment of harmonious and cooperative relations.

With the accession, South and North Korea pledge to the international community that they accept the UN Charter. It says that all member states are peace-loving nations and are looking for peaceful solutions to conflicts. Therefore, I expect tensions to ease on the Korean peninsula.

[De La Trobe] Recently Kim Il-song indicated that he would accept a confederation of the two Korean governments. Would such a solution be acceptable to South Korea?

[Choe] In his 1991 New Year's address Kim Il-song called for the gradual formation of a confederation, which would be based on the formula "one nation, one state, two systems, and two governments." However, as a homogeneous nation we believe that we must be reunited as one state. Two systems and two governments cannot and should not be considered real reunification. Our people do not want that, either. However, if North Korea formally proposes a new formula for reunification, we would be willing to discuss this formula together with the responsible authorities on both sides.

[De La Trobe] Are there new signs that North Korea will permit its nuclear facilities to be inspected, or do you believe that it still hopes to build nuclear weapons?

[Choe] Japan and the United States have demanded the opening of the North Korean nuclear facilities to international inspection as a precondition for better relations with Pyongyang. China and the Soviet Union advocate the same point of view, as is known. North Korea claims that it does not have the intention or the ability to build nuclear weapons. However, on the basis of all available information, it is very likely that North Korea is making progress on the path of nuclear development. In our view, however, Pyongyang will sign the agreement on nuclear safety regulations with the International Atomic Energy Agency and will permit the inspection of its nuclear facilities because it needs to solve its economic difficulties and is subjected to increasing international pressure.

[De La Trobe] Will North Korea, which has practically lost its main ally, the Soviet Union, and whose economic situation has worsened, not be forced to intensify its economic relations with South Korea?

[Choe] The change in the Soviet Union will have a detrimental effect on North Korea's economy. The country urgently needs capital and technology from abroad. Therefore, it is trying to normalize its relations with Japan. However, I do not think that Pyongyang's international isolation and its economic problems will automatically lead to promoting economic cooperation with Seoul. At the moment North Korea is closing the doors because it fears its system will collapse. However, if North Korea were finally to follow the path of opening up for its survival, inter-Korean economic cooperation and trade will not stay away.

[De La Trobe] But will not every form of liberalization and contact with South Korea endanger the internal security and the personal cult surrounding Kim Il-song in North Korea?

[Choe] This risk is precisely the reason why North Korea cannot ride the waves of opening up. However, sooner or later it will open up to the outside world, because the situation is deteriorating as a result of the decreasing economic aid from China and the Soviet Union. After German unification Pyongyang deduced that a unification cannot be effected via "being gobbled up." It is not simple, but we will continue to assure them that inter-Korean exchange and cooperation are not part of a South Korean attempt to absorb North Korea.

[De La Trobe] Or could you imagine a path for North Korea as it has been followed by China—opening up of the economy, while the country is kept closed in political terms?

[Choe] Because of its internal problems Moscow can hardly offer military and economic aid to Pyongyang anymore. Therefore, it will urge reforms. In these circumstances, it may be that North Korea will take over the Chinese model of "partial economic opening up" and will try to preserve its system. However, it already seems too late for North Korea to overcome its difficulties with selective partial reforms as in China. A fundamental change of its system could be necessary to overcome the current problems.

[De La Trobe] Recently a South Korean ship brought 5,000 tonnes of rice to North Korea. Previously trade between the two Koreas was conducted indirectly via Hong Kong. Is North Korea's willingness to conduct direct trade with South Korea an indication of a change in the North Korean course toward South Korea?

[Choe] One must wait and see. Direct trade took place on the basis of an agreement concluded in March, according to which 5,000 tonnes of South Korean rice was supposed to be exchanged for 30,000 tonnes of coal and 11,000 tonnes of cement from North Korea. After North Korea had received the rice at the end of July it neither told the people about this fact nor us about its plans concerning payment for the rice. There is a proverb in Korea: "One becomes lazy after eating honey." Now North Korea is lazy after eating the rice. Therefore, trade in rice alone is not sufficient proof of any change in North Korea's policy as regards direct trade with South Korea.

[De La Trobe] Why did North Korea postpone the fourth meeting of the two prime ministers, which was planned for the end of August, to 22 October?

[Choe] North Korea also canceled unilaterally the fourth South-North round of talks of the prime ministers, which was planned for 25 to 28 February in Pyongyang. Repeated appeals that the talks be resumed were rejected, before the meeting on 27 August was proposed. However, only days before this date North Korea again demanded a postponement of the talks by two months, claiming that incidents of cholera had become known in South Korea. According to North Korean observers, however, the cholera is only an excuse. Pyongyang wants to gain time to come to terms with its difficulties and to analyze the new situation in the Soviet Union. North Korea is obviously shocked by the latest events in the Soviet Union, on which it was strongly dependent in political and economic terms. This was the only way to preserve the closed dictatorial one-party system.

[De La Trobe] If strong economic relations really were to be established between the two Koreas, could big South Korean investments in North Korea then be expected and could the North be a source of cheap labor for South Korea?

[Choe] This depends very much on North Korea's attitude. We are willing to make investments. Inter-Korean economic cooperation could be promoted by joining North Korean labor with South Korean capital and technology. However, this would not mean an exploitation of cheap labor from the North. It would be for the benefit of both sides and would help to reduce tensions in Korea. We have already proposed to Pyongyang to cooperate in tourism and to jointly develop natural resources and to build factories in North Korea. We are also preparing for active participation in the development surrounding the Tuman River, which North Korea has started.

[De La Trobe] After German unification the unification of Korea also seems to have come closer. In view of the difficulties in connection with Germany's unification, is South Korea afraid of not being able to manage a unification for economic, political, and social reasons in the next few years?

[Choe] We are learning a lot from the various developments in the course of German unification. We are learning practical lessons and are learning from the success and the mistakes in Germany. We have sent officials to Bonn, who are to examine the process and the problems connected with the German unification. On our path toward unification we are confronted with many difficulties. But unification is not a task that we could postpone or avoid because of these difficulties. The Korean nation has enough potential to overcome the political, economic, and social problems that will arise from a process of unification—no matter how serious they may be. Our government and the entire nation will intensify their efforts to prepare for unification, according to the principles "the more the better."

USSR Willing To Mediate Possible N-S Summit

SK2609124191 Seoul HANGUK ILBO in Korean 26 Sep 91 p 1

[Report by Pyon Hong-chin from UN Headquarters]

[Text] In HANGUK ILBO's exclusive interview with Soviet Foreign Minister Boris Pankin on 24 September, Foreign Minister Pankin hinted that in support of North-South dialogue, if either country requests it, President Gorbachev is willing to extend an invitation to the heads of the North and South and act as mediator for tripartite talks.

After participating in the congratulatory reception hosted by President No Tae-u, who had made a speech to the UN General Assembly, Foreign Minister Pankin met with the HANGUK ILBO reporter and stated: "President No Tae-u's speech at the UN General Assembly was magnificent. What is especially significant is that he talked about nuclear issues in his peaceful and practical proposal for North-South reunification."

When asked: "What cooperative role can the Soviet Union play for North-South reunification?" He asked in turn: "Don't you think that providing conditions for effective North-South dialogue is most important?" With regard to the question: "Is the Soviet Union willing to extend an invitation to the heads of the North and South and act as mediator in tripartite talks or North-South summit talks?" Foreign Minister Pankin replied: "That proposal is a very good idea. If that kind of proposal is made either from the North or South, our government is willing to examine this with great optimism."

When asked: "What does the Soviet Union want from the ROK at this time most of all?" Foreign Minister Pankin said: "We hope that the ROK will carry out economic cooperation with us as soon as possible."

'Lucrative' USSR Construction Market Viewed

SK2009050491 Seoul THE KOREA BUSINESS TIMES in English 27 Aug 91 p 31

[Text] Korean construction firms are seeking to penetrate the potentially lucrative but untapped building market in the Soviet Union. The opening of diplomatic ties between Seoul and Moscow has further boosted the momentum.

It is reported that eight Korean major construction firms have been pushing for 41 joint ventures and construction projects in the Soviet Union so far this year.

Samsung is the only firm that has actually entered the construction market in the Soviet Union. The company signed a US$ 17 million contract last November to construct a sports hotel in Moscow.

In the future, some industry analysts believe, the Soviet Union will emerge as the most lucrative overseas market for Korean construction firms.

Particularly active in current negotiations in Samhwan Corp. which has been pushing for 19 joint ventures and construction projects in the USSR. Samhwan is soon expected to get formal approval from the Construction Ministry for some of its 19 Soviet projects, a ministry official said.

Hyundai Construction & Engineering plans to initiate seven construction projects in the Siberian port city of Nakhodka. Daewoo is pushing for two projects including the construction of a bunker C oil storage center.

Ssangyong is planning to build the Korea-Soviet Union Trade Center as well as four other projects.

Kukdong hopes to construct a lumber processing factory in Khabarovsk on the Soviet border with Manchuria as well as two other projects. Sunkyong is to build an injector molding factory in Khabarovsk and one additional project.

Meanwhile, the Construction Ministry has said it will spare no efforts in its assistance to Soviet construction projects involving Korean firms.

Most of the Soviet projects are on a turn-key basis and Korean firms will initiate them primarily through joint ventures.

Korea's leading conglomerates are fully backing the Soviet projects in their long-term business plans with a view to securing more business in the future.

PRC Telecommunications Delegation Arrives

SK2709061191 Seoul YONHAP in English 0548 GMT 27 Sep 91

[Text] Seoul, Sept. 27 (YONHAP)—Han Songlin, deputy chief of the International Telecoms Department of China's Posts and Telecommunications Ministry's Telecoms Bureau, arrived in Seoul on Friday to discuss communications exchanges between South Korea and China.

Han will meet Saturday with Vice Communications Minister Yun Tong-yun to discuss expansion of Korea-China communications.

Accompanied by five officials, he will also visit major telecommunications facilities during his week-long stay.

The Korean and Chinese Ministries agreed on bilateral exchanges of communications personnel in January.

Han's bureau operates communications facilities and is similar in function to Korea Telecom.

ROK-Japan Industrial Cooperation Center Formed

SK2609040291 Seoul THE KOREA HERALD in English 26 Sep 91 p 7

[Text] Industrial cooperation between the smaller businesses of Korea and Japan has gotten on the main track this year.

The cooperation programs agreed on between the two governments include sending of Korean technicians to Japan to help facilitate automation, as well as inviting Japanese experts for a similar purpose, and the long-term stationing of a Japanese industrial advisor here, the Ministry of Trade and Industry said yesterday.

To facilitate implementation of the programs, which are part of the follow-up measures of the agreement between President No Tae-u and Prime Minister Toshiki Kaifu last May, the Korea Productivity Center has set up a branch office in Tokyo, officials said.

Under the factory automation project, Korea will send 1,000 technical workers to Japan for training, while 210 Japanese experts will come here to give industrial guidance over the next-five years, they said.

Investment Talks With Norway Planned

SK2709041291 Seoul YONHAP in English 0249 GMT 27 Sep 91

[Text] Seoul, Sept. 27 (YONHAP)—South Korea and Norway will hold working-level talks Oct. 1-2 in Seoul on an investment guarantee pact, the Foreign Ministry said Friday.

Rolf Naess, deputy director-general for investment guarantee division, will represent Norway and Yi Chong-mu, director-general of the International Economic Affairs Bureau, will head the South Korean side.

The talks will be the first with a Nordic country on an investment guarantee.

Korea will also hold similar talks with Finland Nov. 11-12 on an investment guarantee agreement, the ministry said.

Opposition Leader Kim Tae-chung Arrives in Poland

SK2709013791 Seoul YONHAP in English 0109 GMT 27 Sep 91

[Text] Warsaw, Sept. 26 (YONHAP)—South Korean opposition leader Kim Tae-chung arrived in Warsaw for a three-day visit Thursday [26 September] to discuss Korea-Poland rapprochement and party exchanges with the Polish leadership.

The Democratic Party co-chairman will meet with Prime Minister Jan Krzysztof Bielecki, Senate Speaker Andrzej Stelmackowski and Deputy Lower House Speaker Tadeusz Fiszbach.

Kim is also seeking an audience Friday with President Lech Walesa at the Belweder Presidential Palace.

Fails To Meet Walesa

SK2709133891 Seoul YONHAP in English 1140 GMT 27 Sep 91

[Text] Warsaw, Sept. 26 (YONHAP)—Opposition leader Kim Tae-chung's bid to have talks with top Polish leaders struck a snag Friday as Polish President Lech Walesa refused to see him in accordance with his custom of not meeting foreign visitors during an electioneering period, Kim's spokesman, Pak Sang-chon, said.

The Polish side offered an alternative proposal that a senior state minister meet Kim on behalf of Walesa but it was cordially rejected by Kim, Pak said.

Kim arrived in Warsaw for a three-day visit Thursday.

Kim, co-chairman of the Democratic Party, met Senate Speaker Andrzej Stelmackowski and deputy lower house Speaker Tadeusz Fiszbach during a dinner Thursday.

Government To Stress 'Environmental Diplomacy'

SK2709071091 Seoul YONHAP in English 0654 GMT 27 Sep 91

[Text] Seoul, Sept. 27 (OANA-YONHAP)—South Korea is to initiate environmental diplomacy in cooperation with other developing countries to coordinate a collective position on environmental issues, the Foreign Ministry said Friday.

Korea proposed forming a special task force to facilitate technology cooperation between advanced and developing nations aimed at seeking realistic ways of helping developing nations find energy substitutes and reduce the emission of greenhouse gases, Ministry officials said.

The proposal was made at a meeting of the third Inter-Governmental Negotiating Committee on Climate Change Convention in Nairobi Sept. 9-20. The meeting is in preparation for the U.N. Conference on Environmental Development in Rio de Janeiro next June to adopt an international agreement on restricting carbon dioxide emission.

Environment Ambassador Kwon In-hyok led a 10-member Korean delegation to the meeting.

"The main stumbling block in environment discussions is the difference of opinions between developed and developing countries," one Foreign Ministry official said.

"Developed nations such as the United States, Japan and Europe are not interested in transferring technology related to finding energy source substitutes, and developing countries like India and China are demanding free transfer so that they can reduce carbon dioxide emission levels," he said.

"We made a very rough proposal for forming a special task group to coordinate these different stances, and we will present more concrete ideas on the group's role and responsibilities in future meetings," the official said.

A fourth meeting is planned in Geneva in December and a fifth meeting in New York in February.

Kim Yong-sam Returns From United Nations

SK2709113791 Seoul YONHAP in English 1035 GMT 27 Sep 91

[Text] Seoul, Sept. 27 (YONHAP)—Kim Yong-sam, executive chairman of the ruling Democratic Liberal Party [DLP], returned home Friday afternoon from New York where he accompanied President No Tae-u in the United Nations General Assembly.

The DLP leader, upon arrival at the Kimpo International Airport, said that he expected South and North Korea would be able to unite their seats in the United Nations in the future. He called on the need to make substantial efforts to advance the reunification of the country.

'Action' To Stop North Nuclear Arms Threatened

SK2709070191 Seoul YONHAP in English 0645 GMT 27 Sep 91

[Text] Seoul, Sept. 27 (YONHAP)—South Korean Defense Minister Yi Chong-ku, warning that military action was a likely option to halt North Korea's nuclear program, said Friday that nuclear reprocessing facilities at Yongbyon would probably be completed in 1993, [punctuation as received]

The plant would enable North Korea to extract 718 kilograms of plutonium a year from its 30-megawatt nuclear reactor, which has been in operation since 1987, and 50 kilograms a year from a reactor due for completion next year, Yi told a National Assembly hearing.

It has not been confirmed whether North Korea has high purity plutonium that can be converted into nuclear bomb, he said.

Pyongyang was obliged to unconditionally sign a nuclear safeguards agreement with the International Atomic Energy Agency (IAEA), and if it continued to refuse, Seoul would look closely at strong deterrence measures and consolidate international cooperation, he said.

The IAEA's adoption of a resolution calling for forceful inspection of North Korea was a strong warning that military action could be taken against a country that refuses nuclear inspection and it was possible that North Korea would be attacked to prevent it from acquiring nuclear weapons, Yi said.

"The will of the nations that possess nuclear weapons, like the United States and the Soviet Union, to deter development of atomic arms by any country is very strong and there is even a possibility of military action as was the case with Iraq," Yi said

Asked if the government was willing to discard the "no confirmation, no denial" policy on the existence of nuclear weapons in South Korea, Yi said Korea could not be compared with Turkey, Germany and the Philippines and "we should maintain our policy fitted to our strategic environment."

Yi said: "It is necessary for us to be protected continuously by the nuclear umbrella of the United States. We oppose any proposal to remove the nuclear umbrella. I think the assertion that only the Korean peninsula should be a nuclear-free zone is unrealistic and meaningless."

Opposition Demands Apology

SK2709100791 Seoul YONHAP in English 0931 GMT 27 Sep 91

[Text] Seoul, Sept. 27 (YONHAP)—The Democratic Party (DP) on Friday demanded Defense Minister Yi Chong-ku offer the nation an apology for his "anti-historic" remarks hinting at a military action by such world powers as the United States or the Soviet Union against North Korea's nuclear armament program.

Handing out a statement hours after Yi made the controversial remarks during a parliamentary inspection of his ministry, Rep. No Mu-hyun, spokesman for the opposition party, accused Yi of making "anti-historic remarks running counter to the national aspiration for peace in the Korean peninsula."

No asked the government and the ruling party to keep to "maturer and more realistic" attitudes toward North Korea with the simultaneous entry by the South and North into the United Nations.

Ministry Reports on Burdensharing With U.S.

SK2709013091 Seoul YONHAP in English 0102 GMT 27 Sep 91

[Text] Seoul, Sept. 27 (YONHAP)—The South Korean Government would increase its share of the burden of keeping U.S. forces in Korea by 30 million U.S. dollars to 180 million dollars next year, according to the Defense Ministry Friday.

The Ministry, in a report to the National Assembly Defense Committee, said the government would provide 180 million dollars to the U.S. forces next year and the two allies had tentatively agreed to increase Korea's share gradually until it reached 280 million dollars by 1995.

The two governments will finalize the burdensharing plan in Seoul in the 23rd Security Consultative Meeting [SCM] Nov. 20-22 and will decide on Korea's share for 1993 and after through annual consultations, the Ministry report said.

The 280 million dollars will account for one-third of the "won- based cost," much of which covers the combined defense buildup and the salaries of Korean employees. The annual cost of maintaining U.S. forces in Korea is 2.62 billion dollars, the Ministry said.

Of the 180 million dollars Korea will pay next year, 122 million dollars will be used for storage and management of resources and materials for wartime need, maintenance of equipment, combined defense activities, the combined defense improvement program (CDIP) and military construction. The remaining 58 million dollars will cover wages of Korean employees.

Under the 1953 Mutual Defense Treaty, the United States has some 43,000 troops stationed in South Korea.

At the 22nd SCM in Washington in November last year, the two countries agreed on an increase of 80 million dollars in Korea's share from last year's 70 million dollars.

Of the 150 million dollars Korea agreed to pay this year, 97 million dollars was allotted to enhancing the combined defense posture and the remaining 53 million dollars to Korean workers' salaries. Personnel expenditures for Korean employees total around 330 million dollars.

A Ministry official said the Americans first wanted Korea to raise the burdensharing to half the "won-based cost," estimated to reach 840 million dollars by 1995, but later agreed to raise the level to one-third of the won-based cost by 1995.

Task Force To Study New Defense Policies

SK2709133191 Seoul YONHAP in English 1240 GMT 27 Sep 91

[Text] Seoul, Sept. 27 (YONHAP)—South Korean Defense Minister Yi Chong-ku said Friday his ministry has inaugurated a task force to study new defense policies and strategies designed to help the military actively cope with rapidly changing security situation.

The ad hoc committee will submit a blueprint of a new defense policy for the 21st century to president No Tae-u by the year-end and the government will put into effect specific plans by the first half of next year, Yi told a National Assembly hearing.

He denied the possibility of South Korea unilaterally starting to curtail its military strength, saying, "Arms reduction and defense budget cut are discussed only as a proposal to be taken to the inter-Korean talks after 1995. It is not that we are seeking to unilaterally reduce our arms and cut our military spending."

Touching on the Japanese military buildup, he said, a strong Japanese military power may contribute to maintaining the balance of power in Northeast Asia and strengthening such existing war deterrents in the region as the U.S.-Japan and U.S.-South Korea military alliances.

"But it would bring about negative results, too. For example, the United States may try to shift its forces deployed in this region to other parts of the world, the Soviet Union may augment its forces in Far East Asia and the Soviet Union, China and North Korea may consolidate their military ties," Yi predicted.

He said Japan's rearamament would necessiate an overall rearrangement of the bilateral relations between South Korea and Japan from a long-term perspective.

"In this context, Korea-Japan military cooperation must be expanded gradually to the extent that it will lay a ground for regional security cooperation," he said.

Asked about whether his ministry considered shifting import sources of jet fighters to the Soviet Union, he said he saw more harm than good in buying Soviet aircraft under the current circumstances.

"Korea's purchase of Soviet fighters would have an adverse impact on our security cooperation with the United States and a change in the fighter type would entail technical difficulties in operations and aircraft maintenance," he said.

Soldiers Arrested for 'Leftist' Activities

SK2709041591 Seoul YONHAP in English 0245 GMT 27 Sep 91

[Text] Seoul, Sept. 27 (YONHAP)—Thirty-four enlisted men were arrested between January and August on charges of instigating leftist movements in the military in conjunction with radical students, the Defense Ministry said Friday in a report to the National Assembly.

A majority were charged under the National Security Law.

They had joined leftist organizations before enlisting and kept working with the organizations to spread their activities, the report said.

They printed and distributed revolutionary materials and attempted to teach fellow draftees communist ideology in small group meetings, it said.

They distributed between 100 and 200 copies of anti-military writings on at least five occasions, it said.

Draftees Assigned To Work in Industries

SK2609035091 Seoul THE KOREA HERALD in English 26 Sep 91 p 6

[Text] The Ministry of Trade and Industry has selected a total of 2,585 manufacturing firms to receive reserve conscripts to help ease their manpower shortages.

Machinery industries took the biggest portion of the manpower- support beneficiary list with 802 firms, followed by electronics (502), textile (386), chemical (371), electric (124), cement- ceramics (47) and footwear (45), they said. Small- and medium-sized companies accounted for 95 percent of the total.

The government is to let 15,000 reserve conscripts do their service on manufacturing sites for five years instead of the military.

Survey Finds Preference for Direct N-S Trade

SK2509053491 Seoul THE KOREA ECONOMIC WEEKLY in English 23 Sep 91 p 4

[Text] The simultaneous entry of both South and North Korea to the United Nations will help promote economic exchanges between the two sides, thus eventually expediting the reunification of two Koreas, according to the results of a survey by the Korea Economic Daily.

The written question-answer survey was conducted early in September by the Korea Economic Daily Telepress (KETEL), an electronic on-line news service offered by the Korea Economic Daily.

Of the 892 respondents, 583 persons or 65.4 percent reportedly replied that the simultaneous entry of South and North Korea to the United Nations would expedite the reunification of the two Koreas.

Of the 686 respondents to the question about the future course of economic cooperation, 452 persons or 65.6 percent said that the simultaneous entry of South and North Korea into the United Nations would promote economic exchanges between the two sides, largely because of North Korea's economic hardship (41.1 percent) and both sides' efforts to promote economic ties through the United Nations (35.5 percent).

Asked about ways and means to promote economic cooperation, 342 persons or 53.9 percent of the 635 respondents preferred direct inter-Korean trade, 146 persons or 23 percent—participation in North Korea's development projects through UN organizations, and 108 persons or 17 percent—direct participation of South Korean enterprises in various projects in the North, the survey showed.

Of the 638 respondents, 460 persons or 72.1 percent said that the simultaneous entry of South and North Korea to the United Nations would speed up the normalization of diplomatic relations between Seoul and Beijing.

When asked about the reasons that enabled both South and North Korea to join the United Nations simultaneously, 68.9 percent of the total surveyed picked international detente trends, and 22.1 percent replied that North Korea had changed its policy toward the United Nations to tide over its economic hardship.

Asked about the timing of South Korea's entry to the United Nations, 457 persons or 61.9 percent of the 738 persons or 61.9 percent of the 738 respondents pointed out that it was too late for Seoul to join the United Nations at this juncture, while 86 persons or 11.7 percent replied that it was premature for Seoul to affiliate with the United Nations now, the same survey revealed.

Survey Shows Decreased Foreign Demand for Goods

SK2509033291 Seoul THE KOREA TIMES in English 23 Sep 91 p 8

[Text] The foreign demand for Korean goods has been declining sharply because of rising costs and lower quality, the Korea Foreign Trade Association (KFTA) reported yesterday.

It is the result of a survey of 550 buying offices in Korea which operate as purchasing agents for foreign clients.

About 62 percent of those dealing in toys said their clients are thinking about leaving for other suppliers in China or Southeast Asian countries.

Bag makers may lose many of their foreign customers as almost 50 percent of buying offices dealing in bags said their clients want to go to other countries for bags.

The main reason for foreign clients to seek other import sources is the high prices of Korean-made goods, the KFTA said.

There are about 1,000 buying offices in Korea dealing in mostly consumer products such as toys, bags, garments, footwear, and leather goods.

The KFTA said the trend of Korean-made products losing their popularity is clear in the traditionally labor-intensive industries like textiles, footwear and leather goods.

Nearly 28 percent of buying offices asked in the survey indicated what Korea needs most to attract foreign buyers is products with better quality.

More than 23 percent cited a stable social environment, and about 20 percent said competitive prices of export products.

The KFTA said the recent pattern strongly indicates foreign buyers are now turning to the developing countries of Asia especially China and Southeast Asian nations where labor is cheap.

The survey found that many export dealers face competition from Taiwan (22.5 percent), Hong Kong (21.3 percent), and China (18 percent).

Many observers agree Korean exports to its biggest markets, the United States and Japan, are flagging especially in the area of consumer items. Korea now should concentrate more on high value- added products like electronic appliances, automobiles and ships to pull out of the slump, they said.

The buying offices that participated in the survey pointed out sable social and economic conditions are crucial for the revival of the Korean export machine. The current high inflation and frequent labor disputes hurt exports, they said. Delivery delays caused by labor problems are one of the main complaints by clients, 43 percent of them answered.

Trade Deficit Breaks $10 Billion Mark

SK2709005191 Seoul THE KOREA HERALD in English 27 Sep 91 pp 1, 5

[Text] Korea's accumulated trade deficit this year finally broke the much-dreaded $10 billion mark Wednesday.

In the first 25 days of September, exports fell 4.0 percent from a year earlier to $39.52 billion, while imports climbed 7.8 percent to $52.37 billion, causing an additional trade loss of $12.85 billion on a customs-cleared basis, according to the Ministry of Trade and Industry [MTI] figures released yesterday.

"That pushed up this country's annual trade loss to date to an all-time high of $10.06 billion," officials said.

Exports during the period grew 10.8 percent to $493.18 billion only to be far eclipsed by the import surge of 22.8 percent to $593.81 billion, the tally showed.

"We had expected the $10 billion trade gap to come sooner or later but the consecutive holidays around Chusok (Korean Thanksgiving Day) advanced it much earlier than expected," said Hwang Tu-yon, director general of the MTI's Trade Bureau.

He said that on Sept. 24, Korea registered a record daily trade loss of $284 million, with imports soaring to $338 million and exports dragging at $54 million.

"Many export firms gave their factory workers a week-long holiday through today while the desk-bound employees resumed import-related paper works as early as Tuesday," he said, blaming the hefty trade gap for the nation's biggest festive season.

Hwang estimated, however, that by the end of this month, exports will rise to $6 billion and imports to between $6.3 billion and $6.4 billion, resulting in a trade gap of $300 million to $400 million.

"In view of past experiences, the overseas shipments tend to rush toward the end of the month," he said, adding that the accumulated trade deficit would come down and stop at about $9 billion by the end of this month.

Private economic research institutions and businessmen, however, point out that now is the time for the government to accept the $10- billion deficit as a somber reality in its trade policy over the next couple of years.

Earlier this year, the ministry projected annual trade loss at $6 billion, then revised it to $8 billion late last month.

A recent survey by the state-run Korea Development Bank, shows that the government's new trade deficit "defense line" will collapse once again.

In the survey, Korea's major manufacturing firms said they expected exports to continue slumping in the fourth quarter and remain at a mere 5.3 percent growth, compared with the 10.3 percent they had predicted for the second-quarter period.

The MTI itself had predicted that the September trade figures would attain a near balance or turn toward a small surplus, which has proven to be completely wrong as had most of their other estimations this year.

Most private research organizations, including Samsung and Daewoo, predicted in recent reports that even the nation's current account deficit would rise well above the government's revised target of $7.7 billion to surpass $10 billion this year.

Given the export slump not only in Korea's main export markets including the United States and Japan, but also in such newly-emerging markets as Eastern Europe, Korea's export prospectives in the next couple years are also quite bleak, the businessman said.

An MTI official requesting anonymity said Korea's trade loss, after a temporary fall, will exceed again $10 billion by Oct. 10 and possibly will not fall below that range, during the entire year of 1992.

Shipping Groups Plan Merger To Face Competition

SK2709021691 Seoul YONHAP in English 0149 GMT 27 Sep 91

[Text] Seoul, Sept. 27 (YONHAP)—The presidents of the Korea Container Freight Agreement and the Korea Near Sea Transportation Committee agreed Friday to merge their shipping conferences, which comprise eight container shipping companies and nine conventional shipping firms sailing Korea-Japan routes.

The container and conventional lines will form an integrated consultative body and maintain existing freight rates to cope with the opening of the routes to foreign shipping firms, industry sources said.

The merger was designed to prevent rate dumping and induce foreign lines into the unified body to establish some operating order, the sources said.

Japanese shipping companies are barred from Korea-Japan routes, but are likely to join early next year, they said.

The Korean and Japanese Governments agreed in a meeting in Tokyo in July to allow Japanese lines to operate on the routes and left details to be worked out in consultations between the shipping companies of the two countries.

A working-level meeting between Korean and Japanese shipping firms is expected by mid-October, the sources said.

Burma

Khin Nyunt, Abel Meet Visiting PRC Delegation

BK2709094391 Rangoon Burma Television Network in Burmese 1330 GMT 26 Sep 91

[Text] The visiting deputy governor of Yunnan Province of the People's Republic of China, Mr. Jin Renqing and party, who are currently in Yangon [Rangoon], called on Major General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC], at the Ministry of Defense's Dagon Yeiktha this morning at 0930.

At the meeting, discussions were held on bilateral economic cooperation matters and the construction of highways which will benefit both China and Myanmar [Burma].

Present at the meeting were Rear Admiral Than Nyunt, Navy commander in chief; Maj. Gen. Thein Win, Air Force commander in chief; Brigadier General Myo Thant, director of signals; Colonel Than Tun, deputy director of military intelligence; U Kyaw Aye, director general of the SLORC office; Thura U Aung Htet, director general of Protocol Department of the Ministry of Foreign Affairs; U Khin Maung Yin, managing director of public works; and U Khin Maung Thein, managing director of Myanmar Electric Power Enterprise.

Mr. Liang Feng, ambassador of PRC, also attended the meeting together with the Yunnan deputy governor and delegation.

In the evening Maj. Gen. Khin Nyunt, secretary-1 of SLORC, hosted a dinner in honor of the visitors at the No. 2 Military Guest House.

Earlier in the day at 1100, Mr. Jin Renqing and party accompanied by PRC Ambassador Liang Feng also called on Brigadier General Abel, minister for planning and finance and trade, at the minister's office and held cordial and frank discussions on bilateral economic, trade, and technological cooperation between Myanmar and China's Yunnan Province.

Also present at the meeting were U Maung Maung Kyaw, director general of the trade department; U Min Aung, adviser to the Ministry of Foreign Affairs; U Maung Maung Han, chairman of the Union of Myanmar Central Bank; U Win Kyi, managing director of Myanmar Export and Import Enterprise; U Hla Tin, managing director of Myanmar Department Stores; and responsible personnel from the Trade Ministry.

Foreign Minister Leaves For UN Meeting

BK2709073291 Rangoon Burma Television Network in Burmese 1330 GMT 26 Sep 91

[Text] U Ohn Gyaw, foreign affairs minister and leader of the Myanmar [Burmese] delegation, left Yangon [Rangoon] by air this morning to attend the 46th United Nations General Assembly being held in New York from 17 September.

U Ohn Gyaw was seen off at the airport by Lieutenant General Chit Swe, member of the State Law and Order Restoration Council [SLORC] and minister for livestock breeding and fisheries and for agriculture and forests; Major General Khin Nyunt, sectrtary-1 of SLORC; Maj. Gen. Tin U, secretary-2 of SLORC; Maj. Gen. Myo Nyunt, commander of Yangon military command; Brigadier General Abel, minister for planning and finance and for trade; responsible personnel from the Ministry of Foreign Affairs; Mr. Sallehudin Bin Abdullah, ambassador of Malaysia and acting dean of the diplomatic corps; and Mr. Matsushiro Horiguchi, charge d'affaires a.i. of the Japanese Embassy.

Accompanying the minister were U Aye Lwin, director general of the Ministry of Foreign Affairs and section chief U Aung Htoo.

Other members of the delegation—U Ba Thwin, Foreign Ministry director general; directors U Khin Maung Win, U Kyaw Tint Swe, and U Mya Than; assistant director U Paw Lwin Sein and section chief-1 U Hla Myint—had previously left the country on 12 September.

Brunei, Malaysia, & Singapore

Malaysia

Mahathir Emphasizes Dominant Stand on EAEG

BK2709044091 Kuala Lumpur BERNAMA in English 0333 GMT 27 Sep 91

[Text] New York, Sept 27 (OANA/BERNAMA)—Malaysia and ASEAN will press on for the formation of the East Asia Economic Group (EAEG), Prime Minister Dr. Mahathir Mohamed said Thursday.

He said that as nations and as peoples, Malaysia and ASEAN had the right to associate with whoever they like and to develop.

"If the West cares for human rights, then do not deny us the right to progress to the level of the caucasian Europeans," he said.

"If we are denied this while the East Europeans are helped to achieve developed status, then we must conclude that colour and race still influence the thinking of the West."

The prime minister said this in a speech on "ASEAN in the 1990's and Beyond: The Case for Expanded ASEAN-Based Regional Cooperation" before the United States Council of Foreign Relations here.

He said that ASEAN's membership could expand to include the Indochina states—Vietnam, Cambodia and Laos—in the near future as these countries began to appreciate the benefits of a free market system or at least the importance of national development over territorial acquisition.

Geographically, Myanmar was also eligible to join ASEAN and might be interested to do so.

Papua New Guinea had already been accorded observer status while Sri Lanka had expressed interest to become member.

"So expansions of ASEAN are in the cards, but what would be the benefit of enlarging the membership of ASEAN," the prime minister said.

He said the potential new members were weak economically and the combined economic strength and political influence of the enlarged ASEAN was unlikely to be improved.

If in fact the trade blocs of Europe and America became inward looking, the ASEAN group was unlikely to be able to prise [as received] open the rich markets on which their economy depended.

They might even enhance their influence in the trade negotiations in GATT (General Agreement on Tariffs and Trade).

"Consequently ASEAN needs to enlarge its circle of friends, if not its membership," Dr. Mahathir said.

"In the Far East there are a number of dynamic countries which help amplify the voice of ASEAN. These are Red China, Taiwan, Hong Kong, Korea and Japan."

He said these countries were also very dependent on world trade and the free market.

It would be in their interest to add their voices to those of ASEAN.

The proposed EAEG, he said, would bring the ASEAN countries, the potential members and the dynamic economies of East Asia together.

This would not be a trade bloc for the simple reason that their economies largely compete with each other and trade between them was very small.

The usefulness of the EAEG lay in the strength of their combined voice in the GATT rounds and in other international trade negotiations.

"Of course a self-sufficient Europe and the 'enterprise of the Americas' can still ignore the EAEG," the prime minister said.

"But the EAEG combined market will be too attractive for Europe and America not to negotiate with."

Dr. Mahathir said the United States opposed the EAEG and were known to apply pressure on the various countries, including members of ASEAN.

The United States was especially concerned that Japan did not join the EAEG for fear that the country would dominate East Asia economically and politically.

The greater East Asia co-prosperity sphere touted by Japan in the last war was resuscitated to frighten East Asians of the possibility of Japanese hegemony.

But Dr. Mahathir said, East Asians were mature enough to think for themselves.

"If East Asians were not afraid of Japan, why should the United States worry about it?" he said.

He said that modern Japan had gained more through trading than through war and was likely to exchange the economic approach for the dubious chances of military adventures.

More likely the United States' stand was due to a desire to prevent Asian countries from achieving developed status through working together.

"If one does not know better, one should say there is a racist element in this attitude," Dr. Mahathir said.

Assails Western 'Power Media'

BK2709085591 Kuala Lumpur Voice of Malaysia in English 0800 GMT 27 Sep 91

[Text] Prime Minister Datuk Sri Dr. Mahathir has again criticized the Western power media for their deliberate attempts to stifle the growth of the developing nations and keep them forever at their stage. He said developing countries' doors are being slowly closed and funds being diverted away from them. He also feels pressure being applied against them not by communist enemies but by democratic friends.

Datuk Sri Dr. Mahathir was speaking to the Council of Foreign Relations in New York. He points out that the developing countries were harrassed before the end of the cold war. They are harrassed even more now. According to him, for the developing countries, even the smallest obstacle is sufficient to retard development.

The prime minister said countries which industrialized rapidly were classified as newly industrialized nations. These countries were happy to be so classified until they found that this involved withdrawal of trading privileges and imposition of measures to retard the process toward developed nation status. He said the ASEAN countries with the exception of Singapore stand the real chance of becoming permanently developing countries.

The prime minister also touched on the European Community and a fortressed Europe. ASEAN is worried that Asians may be kept out of the European market. A fortressed Europe will hamper the growth rate of ASEAN nations, and even some parts of it can do a lot of damage.

Datuk Sri Dr. Mahathir leaves for home today, concluding a 12-day visit to Mexico and the United Nations as part of its continuing efforts to win new friends for Malaysia.

Cambodia

Resistance Radio Reports Sihanouk-Bush Talks

BK2709005691 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 26 Sep 91

[Text] On 24 September in New York, Samdech Norodom Sihanouk, chairman of the Supreme National Council [SNC] of Cambodia, held talks with U.S. President George Bush. On the occasion, the samdech briefed Mr. George Bush about the outcome of the process of settling the Cambodian problem via a comprehensive political solution, saying the four Cambodian parties recently agreed to two issues, namely the military arrangement and electoral system. The samdech added that under the supervision of the United Nations, Cambodia would hold fair elections to choose a government in the future.

Mr. George Bush praised the efforts by the SNC under the chairmanship of Samdech Norodom Sihanouk and indicated that the United States would continue to support Cambodia.

Hun Sen Meets U.S., Foreign Officials at UN

BK2609130291 Phnom Penh SPK in English 1110 GMT 26 Sep 91

[Text] Phnom Penh SPK, September 26—Prime Minister Hun Sen had separate talks in New York on Sept. 24 with U.S. Senator Chester Atkins of the Democratic Party, Indian Foreign Minister Madhav Singh Solanki, and Rafeeuddin Ahmed, under secretary general of U.N.

During his working breakfast with Senator Chester Atkins, Hun Sen commented on several aspects of the Cambodian problem and exchanged views on the process of the political settlement which quickly developed in the past few months.

Hun Sen elaborated on his government's socio-economic system being actually carried out in Cambodia and assured his interlocuter that in any circumstances, his government can always control the situation. The talks took place in an atmosphere of sincerity and mutual understanding.

For his part, Senator Atkins expressed his deep apprehension about the return of the Khmer Rouge.

In a meeting with the Indian foreign minister, Hun Sen brought out the outcome of the settlement of the Cambodian problem, and exchanged views with Solanki about the efficient implementation of the agreement which is expected to be concluded in Paris at the end of October.

He highly appreciated the efforts and assistance of the Indian Government in the Cambodian peace process and welcomed an active role of India in UNTAC [UN Transitional Authority in Cambodia].

Indian Foreign Minister Madhav Singh Solanki expressed his satisfaction at the success of the talks among Cambodians and expressed India's readiness to play its role in the international body. He said he hoped that the relationship between the two countries would be further strengthened.

Hun Sen met the same day with Rafeeuddin Ahmed, representative of the U.N. secretary general, to whom he offered data concerning the military and police forces of the State of Cambodia.

The prime minister has discussed with Ahmed and General Timothy Dibuama and other U.N. military experts to regroup, disarm and then demobilize military forces in conformity with the agreement.

In the afternoon, he met with Japanese Foreign Minister Nakayama at the UN Headquarters. The two sides expressed their satisfaction at the speedy development in the process of Cambodian settlement and exchanged views on several aspects of the Cambodian problem. They expressed their (?hope) that the Cambodian parties would overcome all difficulties and solve their problem by themselves for peace and national development.

In the evening, Hun Sen gave an expose to the Council of Foreign Policy of the USA on the current situation and peace process in Cambodia. He also answered questions relating to the process of Cambodian settlement.

Resistance Charged With Cease-Fire Violations

BK2609132091 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 26 Sep 91

[Text] As the peace process to end the over 12-year war has developed continuously and reached its final stage, the other Cambodian groups, particularly the Pol Pot and Son Sann factions, have intensified their military activities in violation of the unlimited cease-fire. They have tried to strengthen and expand their positions and areas of control and transported more ammunition and war materiel into areas deep inside our territory.

On 16 September, a group of their forces was sent to an area 13 km southwest of Nimit in Banteay Meanchey Province. In addition to attempting to expand their areas, these forces attempted to attack our positions there.

On the same day, nearly 200 men of the other side's forces infiltrated Kon Trei, Thmar Sen, and Yeang Dangkum.

In Siem Reap-Oddar Meanchey Province, on 16 September, many Pol Pot forces infiltrated an area 9 km north of Pralay Commune adjacent to Stoung District of Kompong Thom Province. Also on the same day, Pol Pot forces from the 785th Division with many weapons and over 20 boats tried to infiltrate various important areas 11 km northwest of Baray District. In an area 16 km southeast of Stoung District, nearly 100 Pol Pot soldiers put pressure on the people in L'ak and some other villages by launching psychological warfare propaganda and threatening our people in a most barbarous manner.

Trade Minister Distributes Aid to Flood Victims

BK2709065891 Phnom Penh SPK in English 0414 GMT 27 Sep 91

[Text] Phnom Penh SPK September 27—Trade Minister Nhim Vanda has recently distributed relief aid to the victims of the recent rain floods in Tonle Bet commune, Thbong Khmum District, Kompong Cham Province, 100 km northeast of here.

The relief assistance consited of 250 packages worth 6 million riel and each package contained plates, cooking pots, spoons, blankets, sarongs, scarves, soap, nylon mats, nylon rope, canvas, and food supply and 3,000 riels.

During his aid-distribution tour, Lieut-Gen. Nhim Vanda, who is also deputy president of the committee for reception and distribution of aid to the flood victims, was accompanied by deputy Trade Minister Top Sam and Khek Sam-ol and Chan Darong, vice chairmen of the provincial people's committee of Kompong Cham.

Statistics on Flood Damages in Provinces Reported

Kompong Thom Province

BK2709062491 Phnom Penh SPK in English 0410 GMT 27 Sep 91

[Text] Phnom Penh SPK September 27—Nearly 6,000 hectares of monsoon rice was destroyed by floods in Kompong Thom Province, 150 km north of here, according to the provincial agriculture service.

Suon Mali, deputy head of the service said in this rainy season the farmers had grown rice on 120,400 hectares, or 81 per cent of the plan, but the flood caused by torrential rains submerged 11,000 hectares of rice, spoiling nearly 6,000 hectares.

The possiblility of recouping the losses lies in the cultivation of dry-season rice which is applicable to only some parts of the land, he said.

According to Suon Mali, the farmers in Kompong Thom expect to grow rice on 140,000 hectares, or 90 per cent of the plan by mid- October at the latest.

The provincial agriculture service has up to now sold 900 tons of chemical fertilizer and a quantity of insecticide at token price to farmers to boost rice production.

Last year, Kompong Thom planted more than 120,800 hectares of monsoon rice, or 77 per cent of the plan.

Kandal Province

BK2709061091 Phnom Penh SPK in English 0421 GMT 26 Sep 91

[Text] Phnom Penh SPK September 27—More than 20,000 people of 5,545 families affected by flood in a district of Kandal Province are facing food shortage as the recent flash flood destroyed almost everything in the region.

An official of the people's committee of S'ang District said food, especially husked rice, stored by the committe for supply to the victims, couldn't last long after the district was flooded in mid-August.

The 16 communes of the district have been inundated and 5,500 hectares of rice and 360 hectares of cash crops destroyed, said the official.

Moreover, the flood caused great losses to dwelling houses, property, and cattle, he said.

The local farmers are worried that they could not regrow rice as the water has not receded yet, and that even if the water receded in time, they would still face the lack of rice seeds.

Starvation is expected in the locality next year if the farmers failed to recover the damaged rice fields, in the coming dry season, the official warned.

Indonesia

No Casulaties in Surabaya Hotel Explosion

BK2709085791 Hong Kong AFP in English 0256 GMT 27 Sep 91

[Text] Jakarta, Sept 27 (AFP)—An explosion wrecked several rooms at a seaside hotel in the East Javanese city of Surabaya but no casualties were reported, press reports said here Friday.

The blast, in the early hours of Thursday, destroyed one room and partially damaged six others at the small hotel in Kenjeran seaside recreational park, the BERITA BUANA newspaper said.

No one was injured as the blast occurred in an empty room in a part of the hotel where no guests were staying, the daily said.

Major General Kusparmono Irsan, the regional police chief, told journalists that the explosion was believed to have been caused by a time bomb, adding that investigations had found traces of potassium and parts of a timing device.

The BERITA BUANA quoted a police intelligence officer as saying that the last occupant of the room, an Indonesian sailor who checked in with a woman Wednesday noon, had been detained for questioning.

The couple stayed only briefly in the room before demanding another one, citing defective air conditioning. They checked out of the hotel six hours later.

The blast area has been declared off limits to the public and police investigations are continuing, the officer said.

Tea Association Says Export To Iraq Reopens

BK2709102691 Jakarta ANTARA in English 0903 GMT 27 Sep 91

[Text] Jakarta, Sep 27 [OANA-ANTARA]—[Passage indistinct] be seen after the U.N. sanction commission allowed the Iraqi tea purchasing agent in Sri Lanka to buy the commodity, General Chairman of the Indonesian Tea Association R.S. Gumbira said here Thursday.

However, According to Gumbira, despite consent from the U.N., tea purchasing transaction has not been carried out well because of uncertain situation in Iraq.

Indonesia hailed the U.N. measure, as Iraq was one of potential countries which imported tea from Indonesia, he said, adding that based on information from tea exporters, Iraq imported about 200,000 tons of tea from several countries annually.

Before the second semester of 1990, Indonesia had exported some 26,000 tons of the commodity while in the previous years, its export to that country reached not less than 27,000 tons.

Laos

Kaysone Receives Credentials From Burmese Envoy

BK2609110691 Vientiane KPL in English 0859 GMT 26 Sep 91

[Text] Vientiane, Sept 26 (KPL)—Kaysone Phomvihan, the Lao PDR [People's Democratic Republic] president on September 25, received the letter of credentials from the newly appointed ambassador extraordinary and plenipotentiary of the Republic of Myanmar [Burma] to Laos, H.E. [His Excellency] U Maung Maung Lay.

The appointment of U Maung Maung Lay is a further step in the diplomatic relations between the countries where, previously, Myanmar only nominated charge d'affairs as head of the mission in Vientiane.

The Lao president and the ambassador, following the credentials presentation, had a cordial conversation.

Kaysone Phomvihan congratulated the ambassador, expressing his confidence that U Maung Maung Lay will be able to expand the long standing relations of friendship between Laos and Myanmar.

The Lao president conveyed through the ambassador his greetings to his Myanmar counterpart.

Front Leaders Receive Greetings on Election

BK2709100691 Vientiane KPL in English 0913 GMT 27 Sep 91

[Text] Vientiane, Sept 27 (KPL)—Mr. Maisouk Saisompheng and Mr. Vongphet Saikeu-yachongtoua, respectively president and vice-president of the Lao Front for National Contruction Central Committee, recently received messages of greetings from their foreign counterparts on the occasion of their election to the posts.

The messages were sent by Mr. Nguyen Huu Tho and Mr. Pham Van Kiet, respectively president and vice-president of the Vietnam's Fatherland Front Central Committee, and Mr. Liu Ho Chun, head of the Secretariat of the Central Committee of the Democratic Front for the National Reunification of the DPR [Democratic People's Republic] of Korea.

EC Pledges Aid for Flood, Drought Victims

BK2609110291 Vientiane KPL in English 0908 GMT 26 Sep 91

[Text] Vientiane, Sept 26 (KPL)—Mr. Phoun Khammounheuang, Lao ambassador to France and the EC, on the occasion of presenting the letter of credentials to Mr. Jacques Delors, president of the EC, was informed that the European Economic Community was willing to help the flood and drought victims of Laos, pending on Lao Government's request.

The same opinion was expressed when Mr. Phoun Khammounheuang met with the EC director for the Asian region.

Foreign Aid to Savannakhet Province Noted

BK2709102391 Vientiane KPL in English 0904 GMT 27 Sep 91

[Text] Vientiane, Sept 27 (KPL)—Over the third quarter of this year, Savannakhet Province has received a total of 281 million kip [in] foreign aid. The aid was, among others, from CIDSE [International Cooperation for Development and Solidarity], the World Vision, Quakers, and Japan's Government.

All this will be used to support agricultural production, health care, and educational development in the province.

Also early this year, the province received a 59-million kip aid from Norway for infrastructutal construction in Nong district.

Document on TV Cooperation Signed With France

BK2609105591 Vientiane KPL in English 0902 GMT 26 Sep 91

[Text] Vientiane, Sept 26 (KPL)—A preliminary document on Lao-French cooperation in television was signed here on September 23 between Mr. Bernard Denislaroque, technical counsellor of the French Foreign Ministry's Communication Department, and Mr. Khekkeo, deputy director of the Lao National Radio and Television.

This was made following a mission to Laos of a delegation of the Canal France International.

According to the document, a reception system via satellite will be installed in Vientiane for the Lao television to use TV programmes daily broacasted by Canal France International.

The cooperation will be executed before the end of this year. The French side will be in charge of equipment supply, transportation and installation, while the Lao side will be resposible for the construction of the site for antenna.

PASASON Predicts Rice Shortage in Savannakhet

BK2609124491 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 25 Sep 91

[Undated PASASON article: "In 1992, Savannakhet Province will be short of rice between 33,000 and more than 78,000 metric tons for consumption"]

[Summary] "The central Province of Savannakhet is one of the richest rice-growing regions in the country. The province is composed of 11 districts, 141 cantons, and 1,606 villages, with a total population of 643,201. The total acreage used for main season rice cultivation is 85,630 hectares. In the early period of the 1991 production season, crop cultivation in the province ran into some difficulties due to the occurence of drought which prevailed between mid-June and mid-July, thus severely damaging rice seedlings for upland and main season rice planting."

Severe damage to rice crops was reported from Nong, Sepon, and Phin Districts. By mid-August, main season rice planting could be carried out only on 80,533 hectares. More worrisome still, following the completion of the main season rice planting, unusually heavy rains hit this province between 16 August and 4 September, especially in Songkhon, Champhon, Saibouli, Khanthabouli, Sonnabouli, and Atsaphangthong, inundating an estimated 19,586 herctares of farmland.

"As a result of the above-mentioned severe drought and floods, it is expected that the productivity of upland rice planting will be 11,629 metric tons of paddy, while the main season rice harvest will be approximately 150,713 metric tons of paddy. However, the province will strive to grow dry season rice plants on 2,140 hectares of rice fields in the coming dry season to produce an estimated 6,800 metric tons of paddy. This means that in 1992, the province will harvest about 169,142 metric tons of paddy. However, some of the products have to be preserved for seedlings in the coming year. Therefore, the province will have a net amount of 146,481 metric tons of paddy for consumption. Statistically speaking, the province will need 180,097 metric tons at a minimum and 225,120 metric tons of paddy for consumption during the entire year of 1992. Therefore, we can see that in the coming year the province will be short 33,616 metric tons of paddy—equivalent to 20,170 metric tons of polished rice—at a minimum and 78,639 metric tons of paddy—or 47,180 metric tons of polished rice—at a maximum, for consumption."

Nonetheless, the people are still very worried over what kind of natural calamities might occur in the coming months before the harvest can be carried out.

Use of New National Slogan, Emblem Announced

BK2709042191 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 27 Sep 91

[Announcement issued by Council of Ministers to all party and state organizations, mass organizations at the central level, and all provinces and city municipalities throughout the country on the use of a new national slogan and emblem of the Lao People's Democratic Republic; dated 9 September]

[Text] Based on the first constitution of the Lao People's Democratic Republic [LPDR], the Office of the Council of Ministers hereby announces the use of the following new slogan: Peace, independence, democracy, unity, and prosperity.

Regarding the new national emblem, it is stipulated in Article 76 of the Constitution that the national emblem of the LPDR is a circle depicting in the bottom part one half of a toothed wheel and a red ribbon with the inscription "Lao People's Democratic Republic" and decorated with crescent-shaped ears of rice on two sides together with a red ribbon with the inscription "Peace, independence, democracy, unity, and prosperity." A picture of the That Louang Pagoda is located between the tips of the rice ears. A road, a rice field, a forest, and a hydroelectric dam are depicted in the middle of the circle.

With regard to the title of the head of government and the use of a new rubber stamp of the head of government, the Office of the Council of Ministers makes it known that the title of the head of government is called "prime minister." As for the prime minister's new rubber stamp, it is a circle with the inscription "Lao People's Democratic Republic" in the upper part. Depicted in the middle of the circle is the national emblem and depicted in the bottom part of the stamp is the inscription "Prime Minister."

As for the office of the government, once the consolidation of the organizational system is completed, it will be called "Office of the Prime Minister." But, in the meantime, it is still called the Office of the Council of Ministers, with the use of the old rubber stamp. The Office of the Council of Ministers will later issue another announcement on when the name "Office of the Prime Minister" will be used.

Philippines

Lawyers Ask Reissuance of Termination Notice

HK2709033191 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 26 Sep 91

[Text] Three lawyers asked the Supreme Court to instruct Executive Secretary Franklin Drilon and Foreign Affairs Secretary Raul Manglapus to reissue the notice of termination for the 1947 Republic of the Philippines-U.S. Bases Agreement; and to ask the United States to immediately withdraw their forces from the Philippines.

A nine-page petition forwarded by attorneys Ulbiano Sarmiento, Janeiro Maningat, and Arlene Dimal asked the Supreme Court to restrain Manglapus and Drilon from undertaking any step having to do with the bases treaty already rejected by the Senate. They stressed that the recall of the termination notice earlier issued by the Philippines to the U.S. in relation to the expiration of 1947 military bases agreement is unconstitutional. The three lawyers said that there is no longer a constitutional basis for the U.S. bases to remain in the country as a result of the Senate's rejection of the new treaty and the expiration of the agreement last 16 September 1991.

Aquino Sets Condition for Notice

HK2709095591 Hong Kong AFP in English 0936 GMT 27 Sep 91

[Text] Manila, Sept 27 (AFP)—President Corazon Aquino promised Friday to serve a new notice of termination on U.S. bases in the Philippines, but only if the Senate comes up with an "acceptable formula" on a gradual U.S. pullout.

Aquino last week withdrew a 1990 notice of termination, effectively allowing American forces to stay indefinitely until a new notice is served, after the Senate rejected a 10-year treaty on Subic Naval Base.

Under a 1966 agreement, Washington will have one year to pull out of its bases from the moment a notice of termination is served. A new treaty or an extension granted by Manila would supersede this rule.

Anti-treaty senators have offered a three-year final extension while a minority who voted for the treaty want up to seven years. Both sides are working on a compromise to be presented to Aquino.

The president said in a statement Friday that she was awaiting the compromise, and that "in dealing with this crucial issue, an acceptable formula would be one that will mitigate the harsh economic effects of an immediate pullout." She gave no timetable.

Some 40,000 Filipino base workers will be put out of work and at least 203 million dollars a year in military and economic aid lost in case of a rapid pullout from Subic. Washington earlier decided to vacate Clark Air Base, devastated by the volcanic eruption at Mount Pinatubo, by September 1992.

Aquino earlier threatened to call for a referendum to challenge the Senate's rejection of the 10-year treaty but backed down after critics charged that she might be violating the Constitution.

Two senators launched a signature campaign to gather support for a referendum, but major business groups and political allies of the president have disowned the idea.

Columnist Views 'Raging Constitutional Crisis'

HK2709055291 Manila PHILIPPINES NEWSDAY in English 27 Sep 91 p 10

["Turn of Events" Column by Francisco Tatad: "The Fight for the Constitution]

[Text] Long Live the Department of Justice [DOJ]. It is now busy trying to show the world that the U.S. forces have a legal right to remain in the country after the Constitution was supposed to have terminated the RP [Republic of the Philippines]-U.S. military bases agreement on September 16, 1991.

This is unique and unrepeatable. In any other country, a foreign government will always have to speak for itself because the home government will be looking after its own interests alone. Not so here.

Here, the Americans do not have to say or do anything about their staying on inside the bases after the agreement has expired. They can depend on their local political Gurkhas to fight their fight for them. They need not invoke the 1966 Ramos-Rusk agreement, which allows them to claim the right to stay on until September 16, 1992. The Aquino regime will do it for them. They need not invoke the 1988 Mangalpus-Shultz agreement, which provides for further delays after termination in the guise of smoothing out the transfer of the base facilities; the regime will do it for them.

The normal, healthy and acceptable procedure would have been for the Aquino regime to invoke the constitutional mandate on the U.S. government and for the latter to invoke the Ramos-Rusk and the Mangalpus-Shultz agreements. The issue would have been joined and the two governments could then have proceeded to discuss them. But it looks like the local Gurkhas are eager not to let Washington perspire even a little.

"A unilateral document like the Constitution cannot obscure the treaty obligations of the country," says the DOJ. The principle is correct; better than that, the Constitution should honor the treaty obligations of the country. But precisely for that reason the government cannot make treaty commitments in defiance of the Constitution. And this is the very thing it did in the 1988 Mangalpus-Shultz agreement, which is now being invoked to justify the continued presence of the U.S. forces after the Constitution was supposed to have terminated that presence.

We are lucky that the present leadership was not in charge of government when we confronted the Brownell opinion in the early fifties. The Department of Justice would have agreed with Brownell, instead of with Senators Francisco A. Delgado and Claro Mr. Recto.

Herbert Brownell was the U.S. Attorney General whom the Eisenhower administration asked to render a legal opinion on the question; "Did the United States retain proprietary title to the areas in the Philippines comprising naval and military reservations and stations which the United States had held prior to Philippine Independence on July 4, 1946?"

His answer, contained in a memorandum dated August 28, 1953, said: "Except for such military or naval properties as the United States has expressly and formally conveyed to the Philippine Republic...the United States now has whatever title it had prior to July 4, 1946 in the land areas listed in Annexes A and B of the Military Bases Agreement of March 14, 1947..."

This was released on March 15, 1954, and created such a furor in Philippine-American relations. Delgado and Recto, notably the latter, took a resolute stand against the opinion and eventually won their point in December 1956.

Imagine if the present DOJ leadership had been in charge at the time? The U.S. would have owned the country all over again by now.

[Text] It is irony of the first kind that in the face of the raging constitutional crisis, Senator Juan Ponce Enrile should be the man nagging President Aquino to obey the Constitution. Ironical, because Enrile is the only person in high office today who had gone around the country to oppose ratification of the Constitution written by the President's appointive commission.

From December 1985 to January 1986, Enrile and I, along with former assemblyman Rene Cayetano, travelled from Mindanao to Luzon to campaign against the ratification. We had fundamental reasons of taking our position, among them:

1. The draft, like most constitutions, should have been written by a duly elected constitutional convention. Instead it was drafted by 48 individuals representing no one but themselves and appointed by Mrs. Aquino rather than elected by the people. For a president who had acceded to the presidency via "people power," this was a remarkable show of distrust of the people. It was a resounding betrayal of "people power."

2. In Proclamation No. 3 issued on April 23, 1986, Mrs. Aquino said a constitutional commisson would be made up of not less than 30 and not more than 50 "natural-born citizens of the Philippines, of recognized probity, known for their independence, nationalism and patriotism." Of her 48 appointees, at least 24 were closely related, by blood or affinity or political ties, to herself, members of her Cabinet, close advisers and other high officials of her government. That was how independent they were.

3. The Constitution gave the President (meaning Mrs. Aquino) an extended term until June 30, 1992 without having won an election. She did not win the February 1986 elections, and had not submitted herself to a new one, but her having been installed in power by the EDSA [Epifano de los Santos Avenue] revolt was now being constitutional by her commissioners. That, to us, was a bad precedent.

4. The Constitution provided for synchronized elections which would put all elective offices at stake in one single election. This presented enormous technical difficulties for the voters and the Commission on Elections. It also guaranteed the division of the country at all levels for the duration of the campaign, and probably beyond.

5. The Constitution, instead of simply enlarging the Bill of Rights, defining the powers of government and providing a legal framework for government to operate, went to the extent of prescribing policies that should have been left to the Executive and the Congress. Examples of these are the provisions on the bases and nuclear weapons. Even if we agreed with the principle behind the provisions, we felt these were policy decisions that should have been left to the government of the day.

6. Outside of these main points, the draft was shot through with holes. There had not been enough deliberation on it, very few people had read it, and the President herself showed no sign that she had read it or understood it.

Wherever we went, we were received and joined by enthusiastic crowds. Enrile was the star of the show, but I will probably be remembered as the fellow who tore a symbolic copy of the document at the high point of his speech.

The "no" fever had begun to rise when on the eve of the plebiscite, Mrs. Aquino by a mere executive order removed from her own provisional constitution the right of political parties to be represented by inspectors in the plebiscite.

It was the first and perhaps only time a constitutional provision was repealed by an executive order, and this patently unconstitutional act was questioned in the Supreme Court. But the Court, in one of its most disgraceful rulings ever, ruled that Mrs. Aquino's executive order had indeed overpowered her own Constitution.

Without the right to inspect and verify the votes, we knew the ratification was foreordained. Only northern Luzon voted heavily against it.

The last five years have shown how correct we were to oppose this Constitution. Without doubt, it is the worst Constitution we have ever had. But it is the only Constitution we have, and for so long as it is in force we have a duty to obey it.

Ironically, those who had campaigned against its ratification are today among its most faithful servants. But the President who had ordered its writing and rigged the rules to give it an "overwhelming vote" at the plebiscite is the first to denigrate and violate it.

Salonga: Economic Growth Despite Pact Rejection

HK2709033391 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 26 Sep 91

[Text] Senate President Jovito Salonga said the rejection of the Republic of the Philippines-U.S. Treaty of Friendship, Cooperation, and Security will not have a bad effect on the national economy. During his speech to the Canadian Chamber of Commerce, Salonga said that the Department of Trade and Industry assured him that Senate rejection of the new treaty will not affect major Philippine exports. Salonga gave as an example the report of Central Bank Governor Jose Cuisa that there has been a substantial gain in the second quarter of 1991 and the economy will also improve by end of the current year. The Senate president also mentioned that stock prices last Monday increased by 5.9 percent in the Manila Stock Exchange, which is the second highest gain in 1991. Aside from this, Salonga also reported the survey of the American Chamber of Commerce that 69 to 79 U.S. companies will still continue to do business in the country and will even invest an additional eight billion pesos in the Philippines.

Manila Said Protecting Nuclear Plant Creditors

HK2709052891 Quezon City MALAYA in English 27 Sep 91 p 2

[By Romy Tangbawan and Chit Estella]

[Text] Senate Majority Floor Leader Teofisto Guingona (LP [Liberal Party]) yesterday accused Malacanang of protecting the interests of two international creditors banks which were privy to the fraudulent $2.1 billion loan of the mothballed Bataan Nuclear Power Plant [BNPP].

Guingona said this may be the reason why President Aquino rejected a Senate suggestion to withhold the $300,000 daily payments to the BNPP loan.

But Malacanang challenged Guingona to come up with proof that the creditor banks—Citicorp and Asia Pacific Capital Corp—were involved in the bribery.

"We will support initiatives in so far as there is proof that in fact there was collusion between the banks and the supplier here," Executive Secretary Franklin Drilon said.

He said the Palace is counting on Guingona to provide evidence of collusion with the banks. "He (Guingona) mentioned to me that he may be able to come up with proof of collusion. So until there is evidence that in fact the financiers and the suppliers confederated in order to defraud the government (we will continue paying)," Drilon added.

A New Jersey court recently threw out a petition by Westinghouse to dismiss the case, saying there was ample evidence that the firm bribed Philippine officials in cornering the nuclear plant contract.

Guingona showed reporters documents indicating that the two banks were not ignorant of the frauds surrounding the transaction since they both dealt with Herminio Disini, a crony of the late President Marcos, who allegedly received about $20 million in kickbacks.

"They (officials in Malacanang) are afraid of exposing the banks because they want to get new money. In exchange, they would assure these banks that the (BNPP loan) payments would continue," he said.

Sen. Rene Saguisag (LP) also lambasted the President's "double standard" in dealing with the bases and BNPP issues, saying that while Mrs Aquino invoked the will of the people to retain the U.S. facilities, she listened only to a few economic advisers who seem to be biased to the interests of BNPP's creditor banks.

The two senators said the loan payments should better be used for the rehabilitation of Central Luzon while the bribery case filed against Westinghouse Corp was being heard.

Among the documents Guingona had in his possession was a telex message from Asia Pacific's office in Hong Kong dated Feb 10, 1975 to Disini, asking him for a "face-to-face conversation" with the banks representative.

"This would enable us to short-circuit the process," the message said.

Several documents also showed that Citicorp executive director Warner Hutchins and Asia Pacific managing director Robert Cashman, who acted as lead managers in negotiating funds for the project, met several times with Disini.

Additional documents showed that these lead managers had worked with Westinghouse even before the approval of the BNPP project.

What was most unfortunate, the solon said, was that the original agreement wsa for two plants at $1.2 billion. But when the decision was made to build only one plant, the financing remained the same.

Government To Export Rice, Corn to Indonesia

HK2609050191 Manila PHILIPPINE DAILY INQUIRER in English 26 Sep 91 p 6

[Text] The government plans to export for the first time rice and corn to Indonesia, the National Food Authority [NFA] administrator said yesterday.

Pelayo Gabaldon, NFA administrator, said a surplus last year and an expected bumper harvest will allow the country to export to Indonesia some 20,000 metric tons of rice and corn this year.

The shipment will partially pay the country's outstanding loan of 64,000 metric tons to Indonesia.

Gabaldon said NFA operations the past 19 years has stabilized rice and corn prices, developed market technology, and assured order in the industry.

Gabaldon said the NFA will continue to conduct open sales, expand rolling stores and tap other outlets.

Australia Provides Aid To Help Oil Exploration

HK2709054391 Manila PHILIPPINES NEWSDAY in English 27 Sep 91 p 8

[Text] In a bid to reduce the Philippines' dependence on imported petrouleum products, the Australian government will provide more than P [Philippine peso] 60 million in a grant for a marine seismic survey project designed to increase the level and effectiveness of petroleum exploration in the country.

Australian Ambassador Mack Williams and Foreign Affairs Undersecretary Pablo Suarez recently signed the memorandum of understanding implementing the three-year project. This will be undertaken jointly by the Office of Energy Affairs [OEA] and the Australian Bureau of Mineral Resources [BMR], Geology and Geophysics.

Under the project, BMR will provide data and expertise to assit the OEA in conducting regional seismic surveys and resource assessments of selected sedimentary basins in the country. BMR's research vessel and crew will be used to gather geoscientific data that will:

—Enable the Philippine government to develop and administer a viable program of petroleum exploration, promotion and management; and

—Permit private sector oil explorers to design more cost-effective exploration strategies and programs.

The project will also provide training for Filipinos on the different techniques of gathering, processing and interpreting data. This will assist the OEA to conduct similar projects in the future.

Canada Grants Rehabilitation Aid to Bataan

HK2709033091 Quezon City Radyo ng Bayan in Tagalog 0200 GMT 27 Sep 91

[Text] The Canadian Government released 400 million pesos for the rehabilitation of Aeta communities in Dinalupihan, Bataan Province. The money was personally given by Canadian Ambassador Andre Simard to the Negrito village of Bayan-Bayanan in Dinalupihan. The money came from the Canadian International Development Agency and will be used to buy farming equipment. Simard also promised to help in the rehabilitation of barangays Pila or Pita, Dalao, Naite, Kolo, and Tubo-tubo.

Official Outlines Development Program Needs

HK2709053491 Manila PHILIPPINES NEWSDAY in English 27 Sep 91 p 3

[By Reporters Rose de la Cruz]

[Text] Close to P[Philippine peso]5 billion would be needed to finance the long-term agro-industrial development program of the resettlement sites affected by the Mount Pinatubo eruption and mudflows, Agrarian Reform Secretary Benjamin Leong said yeterday.

Leong said the amount would be used for rehabilitating resettlement sites and developing new ones for the victims of Mt. Pinatubo's fury as well as affected beneficiaries of the Comprehensive Agrarian Reform Program (CARP).

He said the program basically entails the active participation of private investors and agribusiness firms in promoting corporate farming activities for the nontraditional and high value crops.

The fund shall be used to cover the selection of agrarian reform beneficiaries, processing and transport with a total value of P[Philippine peso]86.4 million; infrastructure support, P1.14 billion; social services, P1 billion; land survey and land use programs, P450 million; development of the resettlement areas into viable agribusiness communities, P1.6 billion (to include production loans, livelihood projects, nursery development, extension services and institutional development worth P125.75 million, and program administration, P100 million.

Initial funding for the public investment portion would come from the Agrarian Reform Fund amounting to P73 million and another P100 million from the Dutch Rural Development Assistance Program.

Government financing institutions are being asked to raise P5 billion to finance the private investment requirement of the agribusiness ventures.

Aside from the previously identified resttlement areas, 19 possible sites with a total area of 72,952 hectares are being considered to accommodate 19,457 farmer beneficiaries. These are the unallocated portions within the existing resettlements in Uson Milagros, Masbate; Imelda, Southern Leyte; Cateel, Davao Oriental; Tiboli, South Cotabato; and the Pakil-Pangil-Infanta area in Quezon province.

New Telecommunications Commissioner Appointed

HK2609111591 Quezon City MALAYA in English 5 Sep 91 p 3

[By Raul Francia]

[Text] President Aquino yesterday appointed Mariano Benedicto II as commissioner of the National Telecommunications Commission [NTC] replacing acting Commissioner Josefina Lichauco.

Lichauco retained her post as transportation undersecretary for communications after the President accepted her resignation last week.

Benedicto, 46, took his oath of office before DOTC [Department of Transportation and Communication] officer-in-charge Pete Nicomedes Prado.

Benedicto was former assistant secretary of the Department of Labor and Employment until 1990, and a director of the National Intelligence Coordinating Agency.

He took his bachelor of laws from the University of the Philippines and graduated in 1970. He passed the bar in the same year.

A native of Iloilo, Benedicto is governor of the Western Mindanao Integrated Bar of the Philippines.

Benedicto, a relative of sugar tycoon Roberto S. Benedicto, admitted he only has "scant knowledge" of the telecommunications industry, but vowed to carry on the directions set forth by his predecessors in the NTC.

His appointment came amid controversy over allegations that Lichauco issued temporary permits to favored radio and television stations.

The acts were described by some members of the House as unconstitutional since no legislative franchises have been issued to any commercial broadcast station in the country.

National Power Corporation Program Approved

HK2709061991 Manila PHILIPPINE DAILY INQUIRER in English 27 Sep 91 p 17

[Text] The International Monetary Fund (IMF) has approved the rehabilitation program for the cash-strapped National Power Corp. (NAPOCOR), including the assumption by the national government of part of its foreign debts.

Finance Secretary Jesus P. Estanislao yesterday said that the program also included measures that would ensure improvements in the financial operations of the power firm, adding that this would likely cover a possible increase in electricity rates early next year.

The IMF approval of the rehabilitation program for NAPOCOR was one of the obstacles that led to the postponement of the second formal review of the economy's performance under the 18-month economic stabilization program with the Fund.

Estanislao said that the IMF was "pleased" with the rehabilitation package for the state-owned power firm.

The finance chief said that a technical working committee is now drawing up details of the rehabilitation plan, including the amount of foreign debts that the government would have to assume.

This move will follow the national government's recent assumption of close to $600 million of the Philippine Airlines' foreign debt to pave the way for the sale of 80-percent of the airline's equity to the private sector.

The assumption by the national government of the foreign debt of some of its corporations is a scheme designed to clean their books.

This had been done for the Philippine National Bank, the Development Bank of the Philippines and the Philippine Export and Foreign Loan Guarantee Corp. (PHILGUARANTEE).

Estanislao added tht the package being worked out for the NAPOCOR would include long-term projects to ensure adequate electricity supply in the future.

The national government this year started privatizing power projects through the build-operate-transfer scheme wherein private companies can bid and undertake the construction of power plants.

National Police Force Requests Increased Budget

HK2709100691 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 27 Sep 91

[By correspondent Restie de Quiros]

[Text] The PNP [Philippine National Police] asked for a more than 13 billion peso budget for the year 1992. During a hearing in the Senate National Defense Committee, PNP Deputy Director Gerardo Flores said the PNP will need this amount to improve its operations and to implement its plans accordingly. Flores has requested an 8.4 billion peso lump sum budget and a more than 5 billion peso supplemental budget. The proposed budget will mean a 17 percent increase over the 1991 PNP fund.

Flores added that the police force has more projects to implement next year so the PNP will need a bigger budget. The PNP reported that the country's crime rate decreased by more than 17 percent. In the Senate National Defense Committee hearing headed by Senator Ernesto Maceda, PNP Director Flores announced that the police were able to launch a massive anticrime campaign.

Flores assured the committee that the Communist Party of the Philippines [CPP] forces was weakened by the series of arrests of its high-ranking officials. Flores also revealed the CPP's different plans to strengthen their forces. Flores pointed to the tactical offensive operations in the provinces and the launching of different kinds of protests headed by the 1 May Movement. Flores also reported the PNP operation plan for the coming elections in order to ensure orderly, peaceful, and free elections. Nonetheless, Maceda proposed the review of the 1987 and 1988 elections, in which there was rampant cheating, threats, and extortion carried out by the CPP-New People's Army toward the candidates.

Policy Toward Mitra-Honasan Talks Viewed

HK2709051591 Manila THE CHRONICLE in English 27 Sep 91 p 4

[Editorial: "Policy on Rebels is Unclear]

[Text] The negotiations over the surrender of the putschist Col. Gregorio Honasan and his men have run into the obstacle raised by the narrow terms of reference within which Speaker Ramon Mitra is conducting the talks. There is an ambiguity over whether he can offer amnesty, with Malacanang emphasizing that he was not authorized to do so, and yet amnesty appears to be a key incentive for Honasan to surrender.

There is little dispute that only the president has the power to grant amnesty, but until this issue is clarified, at lest to Speaker Mitra, he will just be running round in circles. Malacanang says that the Speaker has been given a "free hand," but how free is free? This is all a play of words that create great expectations and illusions.

What this tells us is that, during all the past five and a half years in which negotiations for the return to civil society of the rebels on both the left and the right had been carried out, the government has not learned much. It continues to pursue the goal of "reconciliation with justice" in an ad hoc, amateurish and hit-and-miss manner.

The basic dilemma facing the government is that there is nothing clear in its mind about how to translate in concrete terms the concept of reconciliation with justice. While on the one hand, the government accepts the finding of the Davide Commission Report that a coup is a treasonous offense against the state and lenient treatment of coup makers encourages making a mockery of the state, it is at the same time encouraging negotiations for the surrender of dissidents in pursuit of the distant goal of unifying the nation.

In negotiations on such politically-related offenses, amnesty has always been a crucial issue. The situation on the ground is that the Honasan group has lost terrain and is in a relatively weak position to impose its own terms, but without an understanding about where they would stand following their surrender they probably would hold on until a new government takes office nine months from now.

A possible deal therefore is that, upon surrender, Honasan and his men would be put under military custody and be made to stand trial for treasonous offenses. In the meantime, within the life of this government and at the proper time, the President can declare an amnesty. This is an arrangement that can serve the inteests of both the majesty of the state and the goal of national reunification. This could even allow the Aquino government to declare a successful end to the political rebellions directed against her regime and allow her to leave office with some claim to glory.

On the other hand, Honasan can make a political gamble. He may surrender and face trial, which could last well beyond the term of this government, and put his fate in the hands of a new government with its own policy on amnesty and national reconciliation. Amnesties have always been used as political tools to achieve larger policy goals. Having been on the run for a long time and having seen the failure of seven coup attempts. Honasan might have realized by now that his chances of returning to civil society and playing a useful role in the peaceful transformation of such society would be better served by getting back into the military fold rather than by being a fugitive from justice.

If the government could manage to clear up the fog in its mind about its own options and terms, then the Mitra negotiations could be saved from hitting a deadend.

Plan To Move Army HQ to Central Luzon Viewed

HK2609103991 Manila Manila Broadcasting Company DZRH in Tagalog 0915 GMT 26 Sep 91

[By Fernan Imberga with Johnny Francisco]

[Text] High officials of the Armed Forces of the Philippines are now planning to transfer the headquarters of the Philippine Army from Fort Bonifacio, Makati to Central Luzon in pursuance to the base conversion plan of the government.

According to Major General Arturo Enrile, Army chief, they are studying the possible transfer of their headquarters in Fort Bonifacio to Fort Magsaysay in Laur, Nueva Ecija, or the establishment of a new base in the mountainous town of Dona Remedios Trinidad, in the province of Bulacan.

Based on the conversion plan formulated by the government, the military camps are supposed to be transferred from Metro Manila to the provinces such as the removal of Fort Bonifacio and Villamor Air Base even as Camp Aguinaldo is to be retained as the center of military leadership in the country. It can be recalled that the group undertaking the study is also planning to sell Fort Bonifacio and Villamor Air Base to some private sectors, so as to fund the development of Clark Air Base and Subic Naval Base into commercial, industrial centers.

According to Enrile, the privatization plan, or the plan to make Fort Bonifacio into prime real estate, is due to the fact that the military camp is near the Makati financial and business centers.

Regarding Villamor Air Base, a number of foreign investors have become interested in constructing big condominiums in the military camp because it is near Magallanes Village and the Ninoy Aquino International Airport.

Defense Department Plans To Sell Military Bases

HK2709061091 Manila THE CHRONICLE in English 27 Sep 91 p 8

[By Manny Mogato]

[Text] Senior defense officials yesterday said at least 11 military camps in Metro Manila would be sold, leased or redeveloped to the private sector to raise funds for the conversion of U.S. military bases into competitive and viable industrial and commercial complexes.

A Camp Aguinaldo source said the government expects to generate some P [Philippine peso] 98 billion from these projects to finance the entire P158.5 billion conversion plan.

Based on the plans prepared by the defense department, three minor camps and portions of two major camps, with a total land area of 657 ha [hectares] of prime lots, would be sold, leased or redeveloped under the first phase of the program. The first phase would begin within the next two years (1992-93).

The camps affected are the AFP [Armed Forces of the Philippines] Medical Center or V. Luna Medical Center in Quezon City, (16.30 ha), Camp Bago Bantay also in Quezon City (5 ha), Camp Claudio in Paranaque (2 ha), and portions of Fort Bonifacio (498 ha) and portions of Villamor Air base in Pasay City (135 ha).

The present AFP Medical Center would be relocated to the Veterans' Memorial Medical Center, the units inside Camp Bago Bantay (near SM [SHOEMART] City) would be moved inside Camp Aguinaldo, while the residents in Camp Claudio, which is used as an enlisted men's barrio by Navy personnel, would be relocated to a reclamation area in Fort San Felipe, Cavite.

While units in Fort Bonifacio and Villamor Air Base would be compressed into a contiguous area, some 100 ha of unused land inside Fort Bonifacio, which lies within the flight zone of the Ninoy Aquino International Airport (Naia) would be made into a memorial park to generate P1.3 billion.

Another fast-tracked project is the redevelopment and sale of Villamor Air Base golf course which is expected to generate P1.65 billion.

In the second phase of the project, six other camps would be sold, leased or redeveloped. The camps have a total land area of 271.28 ha.

The affected camps are Fort Abad (0.61 ha), Camp Atienza (4.93 ha), Camp Melchor (1 ha), Camp Miguel Ver (1.95 ha), and again, the remaining idle lands in Fort Bonifacio and Villamor Air Base.

Fort Abad, the headquarters of the Philippine Navy, will be transferred to Subic Naval Base. Camp Melchor, now occupied by the AFP Research and Development Center, will be moved to Camp Aquino in Tarlac, while Camp Atienza, the headquarters of the 51st Engineering Brigade, will be moved to camp Tinio in Nueva Ecija.

Camp Miguel Ver, the headquarters of the 703rd Army Infautry Brigade, will be transferred to Fort Magsaysay, while the units affected in Fort Bonifacio and Villamor Air Base would be moved to Clark Air Base for air force units and to Fort Magsaysay and Camp Aquino for army units.

Only Camps Aguinaldo, Crame, Panopio, and the Malacanang Park would be retained in the metropolis. Aguinaldo will be the command and the control headquarters of the tri-service armed forces, while Crame would be the general headquarters for the police forces.

Panopio would house the National police Commission, while the Malacanang Park would remain the headquarters of the President Security Group.

Villamor Air base would retain some 99 ha to be used by the 250th Presidential Airlift Wing and the 220th Airlift Wing to house the C-130 transport places and s small maintenance Squadron.

Fort Bonifacio will also retain 120 ha for its security forces in the capital. At least 50 ha would be given to the army headquarters, about 48.7 ha for the Camp Bagong Diwa, the headquesters of the Capital Regional Command (Capcom), and 21.5 ha for the Philippine Merchant Marine Academy (PMMA).

A senior defense official said there is a pending bill for the sale of the military camps in the metropolis and the transfer of some units in the U.S. military facilities already turned over to the government.

He said the government would immediately need P43 billion for the initial priority projects to be undertaken in the turned-over U.S. military facilities.

The defense official said P13.5 billion out of the P43 billion initial requirement would be spent to relocate military units outside Metro Manila. The rest, P29.5 billion, would be used to finance the first priority projects in the conversion of U.S. baselands to industrial estates.

The entire conversion plan costs P158.5 billion, but only P78.5 billion would come from the government. At least P14 billion would come from the annual appropriations fund, while the rest would come from the sale of the military camps in Metro Manila.

To cover for the P43 billion initial requirement for the first priority projects in the conversion plan, which includes the relocation of military units in Metro Manila, the government is allocating P4.4 billion to P8.5 billion from its annual budget and P15.2 billion to P33.8 billion from the money earned from the sale of military camps. (This doesn't include foreign and local investment).

In Clark Air Base, 406.6 ha has been earmarked for use by the military, including 76.6 ha for an airport security group.

The 330 ha allocated for the military in Clark would be used as relocation sites for most air force units removed from Villamor Air Base which was sold.

In Subic Naval Base, about 100 ha, excluding 1,100 ha in San Miguel Naval Communications Stations, were allocated for the use of the air force and the navy.

Some 20 ha near Cubi Naval Air Station was proposed to be the future site of the 15th Strike Wing, which is transferring from its present site in Sangley Air Base in Cavite.

Air Raids Conducted Against Cebu NPA Rebels

HK2609101491 Quezon City WE FORUM in English 6-12 Sep p 16

[By Marivir Montebon]

[Excerpt] Cebu City—For the first time in this booming Central Visayan province, air strikes have been used by the military against guerillas of the New People's Army (NPA). The air strikes took place August 24, in Magatubang village in Tuburan town, 98 kilometers from here.

Two "Tora-Tora" World War II vintage planes dropped bombs in Baktos community after ground troops requested support during an encounter with the NPA.

No casualties have been reported, but mass evacuations from Mag-atubang and other neighboring villages have begun.

"The air strikes were a new experience," says Wilfredo Caparoso, a Mag-atubang resident. "We were so scared, we dove to the ground only to bury our faces in animal waste."

At the Tuburan town center, 27 kilometers from the embattled village, residents watched the action. "The plane would swerve, then almost touch the ground, and then drop bombs," described an on-looker.

In February this year, villagers from Mag-atubang also fled in fear of military and paramilitary troops in pursuit of the NPA. It was only in June that they returned to their homes and farms after local government and non-government organizations providing relief and rehabilitation services assured their safe return.

Now they are on the run again.

"Our life has ground to a halt. Our corn production is hardly enough for our family's consumption," evacuee Caparoso said. "This perennial war has made us poorer," he lamented. [passage omitted]

Rebels Kill Tax Official for 'Taxes' Refusal

HK2709030391 Manila PHILIPPINE DAILY INQUIRER in English 27 Sep 91 p 6

[By John Gilbuena and Roger Garcia]

[Text] A BIR [Bureau of Internal Revenue] regional official, who refused to pay "revolutionary taxes" to the New People's Army, [NPW] was shot dead Wednesday night by two suspected communist gunmen in front of his house at Lakeside subdivision in San Pablo City.

Lawyer Jose Santos, 60, assistant BIR regional director, died on the spot from three gunshot wounds in the head and body.

Police said Santos was about to open his garage at about 6:15 p.m. when two gunmen appeared from behind and shot him at close range.

Police said the assailants, armed with a .38 cal. revolver and .45 cal. autonomatic, fled on foot.

Investigators said Santos had been receiving death threats from the NPA following his refusal to pay "revolutionary taxes."

In Olongapo City, meantwhile, police prepared for more NPA attacks against U.S. servicemen and government soldiers after communist leaders ordered a resumption of offensives.

Police launched "Operation Bakal" [Operation Iron] aimed at rounding up loose firearms and stepping up of surveillance of suspected NPA hideouts near Sbic Naval Base.

The operation was launched following the killing of Capt. Demetrio Manlulu, an Air Force intelligence officer assigned at Clark Air Base in Angeles City.

Inside the base, Subic Command spokesman Lt. Rafael Mariano told newsmen that the communist rebels remain a "big threat."

Communist rebels declared a unilateral truce shortly before the Senate rejected the new base traty on Sept. 16, but ordered a resumption of offensives after President Aquino insisted on keeping U.S. forces in the country indefinitely.

NPA Ambush Said To Violate Negros Cease-Fire

HK2609133391 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 26 Sep 91

[Text] Two Citizens Armed Forces Geographical Unit members and two civilians were killed while four others were wounded in an ambush carried out by New People's Army rebels this morning. According to several witnesses, over 40 rebels ambushed a cargo truck in sitio Wawistapi, Kabankalan, Negros Occidental. The ambush is a violation by the rebels of the 10-day cease-fire declared in Negros yesterday. According to the rebels, the ambush is their way of welcoming Defense Secretary Renato de Villa, who is in Negros. De Villa, meanwhile, said that he is leaving the cease-fire issue to the local government and military in Negros.

NPA Kills 22, Wounds Six Soldiers in Ambush

HK2709092891 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 27 Sep 91

[By Fernan Imberga, DZRH Unit 22]

[Text] Twenty-two Philippine Army soldiers were killed while six others were seriously wounded after they were ambushed by a big group of New People's Army [NPA] guerrillas in Kalinga-Apayao. In a flash report reaching the Armed Forces General Headquarters in Camp Aguinaldo today, the victims were reportedly among a military convoy belonging to the Army's 45th Infantry Battalion. They were ambushed by NPA guerrillas in barangay Puguin, Conner, Kalinga-Apayao yesterday morning. After the ambush, the NPA guerrillas took away the 22 armalite rifles of the slain soldiers, a 60 mm mortar, 60 rounds of ammunition for the mortar, three field radio sets and innumerable bullets. The identities of the slain and wounded soldiers have not yet been determined. Meanwhile, it is believed that there are also casualties among the rebel ambushers. The ambush resulted in the highest number of soldier casualties so far this year. This is reportedly the biggest offensive or attack by the NPA in Northern Luzon since the Armed Forces launched Operation Salidummay to recover Marag Valley in Kalinga-Apayao from rebel control. The ambush occurred after the National Democratic Front canceled the unilateral cease-fire it declared several days ago.

'Top' Communist Leader in Bulacan Surrenders

HK2709082091 Manila DIYARYO FILIPINO in Tagalog 27 Sep 91 pp 1, 2

[By Erick Silverio]

[Text] The top leader in Bulacan of the Communist Party of the Philippines-New People's Army [CPP-NPA], together with another member, surrendered in Camp General Alejo Santos in Malolos, Bulacan.

Senior Superintendent Efren Fernandez of the Bulacan Philippine National Police [PNP] reported that the surrenderees were identified as Fernando Rivera, alias Comrade Recy, Jill, Renan, 33, married, who hails from Santo Nino, Plaridel, and resides in Binuangan, Obando; and Moises Ignacio, alias Comrade Sammy, 19, a resident of Tibagan, San Miguel.

Before the media, Rivera admitted that they decided to surrender because of the very difficult life in the Sierra Madre Mountains which encompass the towns of San Ildefonso, Norzagaray, and San Miguel. Eighteen NPA members were reportedly left behind in the mountains.

The NPA leader said that he would like to redeem his name and take advantage of the benefits being offered by the government to communist rebel surrenderees.

According to Chief Inspector Edgardo Acuna of Bulacan PNP Intelligence Task Unit, Rivera carried a 70,000 peso cash reward for his capture, prior to his surrender. Rivera joined the movement in 1980 as a ranking member of the NPA in Bulacan. He was arrested in 1984 but escaped and became the active leader in 1985, of the CPP-NPA Front Guerilla Unit (FGU) which used to be headed by Emilio Bautista, alias Comrade Dems and Comrade Freddie, who is now active in Pangasinan.

It was learned that Rivera been suffering from a lung ailment for a long time which also prompted him to surrender.

Meanwhile, Acuna also reported that a certain Edwin Castillo, alias Comrade Edwin, is currently occupying the position vacated by Rivera, as secretary of the "Mapua" movement which operates throughout Bulacan.

At the same time, Fernandez promised that rebel surrenderees will be supported, particularly regarding the benefits they should receive from the government.

Corporate Expansion Said Up for First 7 Months

HK2609093391 Manila BUSINESS WORLD in English 9 Sep 91 p 1

[By Mary Jane O. Llanes]

[Excerpt] Corporate expansion for the first seven months of the year remained moderate with actual cash infusion inching up by a slim 2.7% to P[Philippine pesos]3.46 billion from the P3.37 billion posted in the same period last year, latest records from the Securities and Exchange Commission (SEC) show.

Bulk of investments in existing corporations records also show, was done via property contribution, mainly land, amounting to P7.75 billion. The amount represents a hefty 1037.3% jump from last year's figures.

Analysts believe that the uncertainties brought by the bases issue over the country's investment climate kept most investors on the fringes.

Until after the Senate makes firm its decision on whether it will allow the bases to stay or not, business expansions in the country will remain lacklustre, analysts said.

Aside from this, analysts are one in saying that the outcome of the presidential elections next year will be very crucial for business activity.

"Confidence could creep back or just vanish if the political and economic picture does not improve," an analyst said. [passage omitted]

Thailand

Foreign Minister Asa on Results of PRC Visit

Bangkok Radio Thailand Network in Thai 0000 GMT 26 Sep 91

[Text] Foreign Minister Asa Sarasin briefed reporters on results of the talks with China for participating in the

Mekong River Basin development efforts. He said that Prime Minister Anan Panyarachun had invited China to join in the Mekong River Basin development with other countries which have borders on the Mekong River. Development should be carried out from the upper to the lower parts of the Mekong River for mutual benefit of all countries concerned. China has accepted this proposal, but wants a confirmation and a clear development plan from Thailand. There is already a committee considering this issue. Thailand will present a clear proposal to China later.

Asked whether or not Sino-Vietnamese relations will have impact on Thailand, the foreign minister said China had explained to Thailand that relations between China and Vietnam are based on principles, which will not affect any other third countries including Thailand and other ASEAN members. We understand this well because we have also encouraged contacts between China and Thailand to solve the Cambodian problem.

The foreign minister said that the visit to China had further strengthened bilateral relations. The two sides exchanged views and learned of the other side's opinions. The visit strengthened relations between leaders of the two countries and has enabled them to realize that they share similar views. Trade and economic relations should be expanded in the future.

Vietnamese Pirates To Be Swapped for Fishermen

*BK2609111191 Bangkok MATICHON in Thai
26 Sep 91 p 24*

[Excerpt] Commander of the 4th Army Region Lieutenant General Kitti Rattanachaya stated on 24 September that Thailand will free all of the 159 Vietnamese pirates arrested by the 4th Army Region's Forward Operations Center during the past three to four months in exchange for about 300 Thai fishermen detained in Vietnam.

Thailand is making the move as a gesture to seek Vietnam's cooperation in holding negotiations to discuss the problem of both countries' overlapping territorial waters in the Gulf of Thailand under the exclusive economic zone. An official negotiation has been planned for early January next year.

The 4th Army Region commander said interrogations with the captured Vietnamese pirates revealed that Vietnamese authorities did not endorse the act of piracy by those local Vietnamese officials who acted out of purely personal interests. The pirates said they would be punished by their authorities if arrested and convicted following investigations. [passage omitted]

Antipiracy Command Center in South Closed

*BK2709071091 Bangkok MATICHON in Thai
27 Sep 91 pp 1, 2*

[Excerpt] According to a report from Songkhla Province, the Fourth Army Region has issued instructions discontinuing the sea operations for suppression of piracy and protection of Thai fishing boats in the Gulf of Thailand. The instructions close the joint command center of the Supreme Command Task Force No. 4 based in the Songkhla Naval Station and returns the Army and Navy officials assigned to it to their parent units.

According to Lieutenant General Kitti Rattanachaya, the Fourth Army Region commander, the closure is the result of decline in the piracy incidents by Vietnamese pirates and the Vietnamese readiness to resolve the fishing problem and enter into joint fishing ventures with Thailand after recent negotiations with the Thai Government, which will permanently solve the problem.

Kitti said: "In the past five months, the joint command operations resulted in the capture of over 150 Vietnamese pirates, their boats, and many weapons. The command faced a shortage of funds for feeding the captured pirates; funds had to be drawn from the Songkhla Naval Station. Also, because Vietnam has agreed to release 300 Thai fishermen in its custody after a recent negotiation, we intend to reciprocate by releasing the Vietnamese pirates." [passage omitted]

Minister Meets SRV Marine Products Minister

*BK2609144391 Bangkok Radio Thailand Network
in Thai 1200 GMT 26 Sep 91*

[Text] Talking to reporters following his meeting with Vietnam's minister of marine products, Deputy Agriculture Minister At Talanon said that the two sides had discussed fishing cooperation between Thailand and Vietnam. The two sides agreed in principle on the establishment of a joint fishing committee at the government level, as well as on the release of the 344 Thai fishermen held in Vietnam.

He said he had explained to the Vietnamese side that the release of the Thai fishermen would represent a good gesture toward each other and the beginning of a new era of relations between the two countries, and would also reciprocrate Vietnam's wish to establish the territorial waters of peace. The Vietnamese marine products minister agreed with this and further agreed to present this issue to the Vietnamese prime minister. The deputy agriculture minister then said that if Vietnam agrees to the release, he would be willing to send boats of the Fishery Department to bring back the Thai fishermen.

At Talanon said that the Vietnamese marine products minister had visited shrimp breeding and cold storage businesses and coastal irrigation projects of the private sector. The Vietnamese marine products minister was interested in these projects and invited the Thai private sector to invest in shrimp breeding farming in Vietnam.

Officer Reports Cut in Lao Support for Rebels

BK2609151191 Bangkok Radio Thailand Network in Thai 1200 GMT 26 Sep 91

[Text] General Narudon Detpradiyut, adviser to the National Defense Institute and acting director of the Supreme Command Information Office, held a press briefing at the Supreme Command Headquarters today to report about the border situation. He noted the much improved Thai-Lao relations and consequent drop in Lao support for the Thai people's revolutionary movement with its base on the Thai-Lao border. He said the announcement by Laos on their support cut resulted in a disintegration of the Thai movement in certain areas. The movement has about 200 members, 70 percent of whom are Thai nationals, the remainder of which are Lao.

Reporting on the situation at the Thai-Burmese border, Gen. Narudon said there were clashes between Burmese troops and ethnic Karen rebels. However, this had no impact on the Thai border area. He denied a report which said that Burmese troops had set up a stronghold inside the Thai border.

Concerning the holding center for Burmese students, he said the Interior Ministry is in charge of the project being set up in Pak Tho District in Rat Buri Province, and that the center will soon be ready to accomodate the Burmese students. Authorities are conducting a survey in order to issue identification cards for use in control and giving assistance to those students at the center.

Gen. Narudon added that Thailand will not accept help from the Office of the UN High Commissioner for Refugees or any organization for the holding center of Burmese students, as that would make the center look like other refugee centers in Thailand.

Military Ready for UN Mine-Sweeping Operation

BK2709022591 Bangkok THE NATION in English 27 Sep 91 p A3

[Text] The Thai Military is ready to take part in the UN mine-sweeping operation inside Cambodia which is expected to begin by the end of this year, military sources said yesterday.

The sources said the UN conveyed the request to the Armed forces recently and asked for a team of military engineers to help the UN with defusing and destroying landmines placed along the Thai-Cambodian border by resistance guerrillas fighting to overthrow the Phnom Penh regime.

Once the explosives are cleared the reconstruction of roads and railways will follow.

The sources said the strength of the Thai team has yet to be fixed but the army had been prepared for this assignment for some time now. No request for assistance in other areas had been made so far, they added.

At the Paris Conference on Cambodia early last year, it was agreed that Thailand will take part in the post-war programme for rehabilitation, reconstruction inside Cambodia and repatriation of Cambodian displaced people, which could only take place after the landmines had been cleared to a satisfactory extent.

The mine-sweeping operation would take about 11 months before the UN Transitional Authority for Cambodia comes into full operation and before the process of repatriation can take effect, according to the sources.

They added that the operation could start simultaneously with the arrival of the first contingent of UN military and civilian personnel who will be entrusted with gathering further information and providing security for members of the Supreme National Council (SNC) and for foreign diplomatic missions when they arrive in Phnom Penh in November.

Since early this year, two UN survey teams have been sent to Cambodia at the request of the SNC to collect ground information necessary to prepare the UN's role of supervision and control inside Cambodia after a peace agreement is signed.

Meanwhile, military spokesman Narudol Detpradiyut said the UN High Commissioner for Refugees (UNHCR) was heading towards the physical preparation stage of the repatriation. He listed the activities as registration of returnees, the procedures for travel and the search for farmland for the returnees.

Narudol said the construction of reception centres for the returnees was under way at the Sisophon district of Banteay Meanchy province inside Cambodia.

Six reception centres will be built to accommodate the returnees during the interim period before they return to normal life.

Narudol said a budget of Bt27 [bhat] million on the Thai side for the preparation had already been approved by the government.

Songkhla Governor Regrets Malay Border Incident

BK2709081091 Kuala Lumpur Radio Malaysia Network in Malay 1430 GMT 25 Sep 91

[Text] The governor of the southern Thai province of Songkhla will lead a delegation to apologize to the ruler of Perlis and the state government for the intrusion on 30 June by a group of Thai antismuggling officials. Governor Niphon Bonyaphatro told newsmen in Kangar that he regretted the incident in which Thai antismuggling officials entered into the Malaysian territory of Padang Besar and seized goods belonging to Malaysian traders.

He said the incident should not have occurred, adding that members of the Thai anti-smuggling task force came from other parts of Thailand and were unfamiliar with

Malaysian laws. He said a senior police officer found responsible for ordering the raid had been transferred to Bangkok immediately.

Mr. Niphon said he is now making preparations to seek an audience with the ruler of Perlis state to apologize for the incident.

Japanese Emperor, Empress Arrive on Visit 26 Sep

OW2609073191 Tokyo KYODO in English 0704 GMT 26 Sep 91

[By Masanori Kikuta]

[Text] Bangkok, Sept. 26 KYODO—Japan's Emperor Akihito and Empress Michiko arrived in Bangkok on Thursday to a ceremonial Thai royal welcome, launching an unprecedented visit to Southeast Asia by a japanese monarch nearly half a century after the end of Japan's militaristic rule in the region.

The emperor and empress were greeted at Bangkok Airport by King Phumiphon Adunyadet and Queen Sirikit following a six-hour flight from Tokyo.

The 11-day tour will also take them to Malaysia and Indonesia, both of which were hit hard by Japanese militarism during World War II. Thailand cooperated with Japan in the war.

This is Emperor Akihito's first visit abroad since he succeeded to the throne in January 1989 upon the death of his father, Emperor Hirohito, who was posthumously renamed Emperor Showa.

It is the imperial couple's seventh visit to Thailand since they first came to the kingdom in 1964 as crown prince and princess, to return on behalf of Emperor Showa the previous year's state visit to Japan by the Thai king. The couple last visited Thailand in 1983.

National flags of the two countries, known for their close royal family ties, fluttered along an expressway from the airport and several other streets where the guests were scheduled to pass by.

Signboards reading "Welcome, the Emperor and Empress of Japan" in both Japanese and Thai were hung at places to be visited, including the entrance to the glittering emerald temple, which is located in the same compound as a palace where a banquet will be held later in the day.

Some Thai people, however, said they want to see less pomp and more candor during the couple's four-day stay in Bangkok and the provinces, including Sukhothai, the kingdom's birthplace north of the capital.

"I expect it to be less ceremonial, less courteous, but more frank about the past history," said Prassert Jittiwattanapong, an assistant professor of Thammasat University.

Tomiko Kawamitsu, 45, a Japanese who has lived in Thailand for 23 years, said Thai people are glad their country was the first Asian nation to be visited by a Japanese emperor.

"I hope the visit will help deepen bilateral cultural exchanges at a time when some criticize a rush of Japanese business investment," added Kawamitsu, who heads the secretariat of an association of Japanese residents in Thailand.

Thai newspapers ran articles welcoming the visit, with the English-language daily NATION calling it "historic."

"A milestone for Thailand and Japan," said another English-language daily, the BANGKOK POST. The daily ran a full-page article with five color photos depicting encounters between the two royal families.

"Viva Akihito," said an editorial caption of the THAI RATH, a vernacular daily with the largest circulation in the country.

The editorial recalled that a species of freshwater fish presented by the emperor during one of his visits has become "a major cheap protein source for all Thais."

Affirms 'Peace-Loving' Role

BK2709014591 Bangkok THE NATION in English 27 Sep 91 pp A1, A2

[Text] Emperor Akihito, in his first known public remarks about Japan's role in the Second World War, vowed last night that Japan wants to live as a nation of peace "so that it should never repeat the horrors of the most unfortunate war".

"Based on this new resolve, Japan has made unremitting efforts since the end of the war to build a new friendship with the Southeast Asian countries," Emperor Akihito said in a speech during a state banquet hosted by Their Majesties the King and Queen at the Chakri Throne Hall.

The emperor, who arrived here yesterday afternoon for a four-day visit with Empress Michiko, had said earlier in Tokyo that he wanted his current trip to Thailand, Malaysia and Indonesia to project Japan's image as a peace-loving nation. Southeast Asian countries suffered heavily from Japanese agression during the war.

Emperor Akihito, who is the first Japanese monarch to visit Southeast Asia, said he was delighted to see the remarkable development in relations between Japan and the region and the dynamic growth of the ASEAN economies.

"I believe that Thailand, in particular, has an extremely important role to play, as a nation situated in the centre of the Indochinese region, in the development of this region which has great potential for future prosperity," he said.

In his welcome speech at the banquet, His Majesty the King exulted Thai-Japanese relations, which date back to the Ayutthya period. He said the emperor's visit will help bring about "more permanent and even more cordial ties of friendship and cooperation between Japan and Thailand".

Praising Japan's economic success, HM the King said: "Japan today can indeed be said to be at least of equal power to any other nation of the world in the economic, social, political and technological areas, worthy to be placed in the front rank of nations in Asia and the world at large."

Emperor Akihito, responding to the speech, said Thailand's stability and development is the result of the wise leadership of HM [his majesty] the King and the continuous efforts of the Thai people.

There was a "friendly and family-gathering atmosphere" during a meeting between the Thai and Japanese monarchs before the banquet, said the emperor's press secretary, Hideo Kagami, who noted the absence of interpreters.

"It is very unusual for the Japanese emperor to speak to a foreign royal member without an interpreter," said Kagami.

The gathering of the two royal families took place in a coffee room inside the Chitlada Palace. It was also attended by HM the Queen, Crown Prince Maha Wachiralongkon, Princess Maha Chakkri Sirinthon and Princess Chulaphon, Kagami said.

He said that the two families talked about relations between the two royal institutions which have existed since ancient times. He said the royal couples also exchanged views on various subjects including culture.

The emperor is scheduled today to lay a wreath at the Victory Monument, as "a goodwill gesture" and grant audiences to Prime Minister Anan Panyarachun and members of the Japanese community before leaving for Sukhothai and Chiang Mai tomorrow for a tour of historical ruins, according to Kagami.

The Japanese royal couple were welcomed on their arrival at the military airport by Their Majesties the King and Queen and a large crowd of dignitaries. Hundreds of children greeted the couple with miniature Thai and Japanese flags. Well-wishers at the airport threw rose petals at their feet.

In a speech at a ceremony to receive the key to the city from Bangkok Governor Chamlong Simuang, Emperor Akihito praised the progress of Bangkok and its role in regional and international affairs.

Akihito called Bangkok an international city "which is now not only the centre of Southeast Asia but also one of the footholds of political, economic and various other activities in today's world".

Bangkok, he said, has changed remarkably during the past 27 years since his last visit here in 1964 as crown prince of Japan.

The emperor said that cultural exchanges would strengthen friendship between Japan and Thailand.

'Text' of Emperor's Speech

OW2609234691 Tokyo KYODO in English 2323 GMT 26 Sep 91

[Text] Bangkok, Sept. 27 KYODO—The following is an unofficial translation of the text of a speech made by Emperor Akihito at a palace banquet hosted in his honor Thursday by Thai King Phumiphon Adunyadet:

The empress and I are most grateful to Your Majesties for holding this banquet for us and for the cordial words Your Majesty the king has just spoken.

Today, by a strange coincidence, happens to be the day our two countries signed "the Declaration of Amity and Commerce Between Japan and the Kingdom of Thailand" and established formal diplomatic relations exactly one hundred and four years ago.

It was the time when our two countries were carrying out their modernization to safeguard their independence. I can imagine that the tribulations and efforts of the great King Chulalongkorn, Your Majesty the king's grandfather, and Emperor Meiji, my own great-grandfather, who reigned over their respective countries during the same period for more than forty long years and the peoples of both countries must have been inestimable. Four years ago, I as crown prince attended the centenary of mutual amity of our two countries held in Tokyo, together with his Royal Highness Crown Maha Wachiralongkon. I felicitated this event and looked back on the history of exchanges between Japan and Thailand.

The history of our exchanges dates back to ancient times. It began when Thailand had its capital in Ayutthaya. In recent years, these exchanges are taking place in various fields in a broader range. I understand that the number of exchange students, who are to become the bridge of mutual understanding and friendship between our two countries, is increasing and that there are emerging Japanese scholars who are able to talk about matters of Thailand in the Thai language. For the increase of country-to-country friendship, mutual understanding and mutual respect for the other's position are important. I am happy to note that the relations between our two countries have become so extensive and deep.

Exchanges between the Thai royal family and the Japanese imperial family are being practiced frequently. His Royal Highness Crown Prince Maha Wachiralongkon was gracious enough to attend the funeral ceremony of Emperor Showa, and also the ceremony of my enthronement last year. Prince Akishino, who frequently visits Thailand to conduct his research with the cooperation of Thai scholars, was honored by the presence of Her Royal

Highness Princess Maha Chakri Sirinthorn at his wedding. The empress and I are profoundly grateful for such kind thoughts of the Thai royal family. This year I had the pleasure of meeting Her Royal Highness Princess Chulaphon, who had devoted her time to lectures and studies at Japanese universities and research institutes, on the occasion of the centenary of the Tokyo University of Agriculture.

Your Majesties the king and queen visited Japan in 1963 as state guests. The empress and I, then as crown prince and crown princess, made a return visit to Thailand the following year on behalf of Empress Showa. The warm hospitality extended to us by Your Majesties and the wholehearted welcome accorded by many Thai people on that occasion remain deeply impressed in our hearts.

Since then, the empress and I had the honour of being received by Your Majesties in Bangkok or in Chiang Mai in the course of our overseas tours. On each occasion, we were profoundly moved to learn of the sentiment of Your Majesties praying for national development and people's welfare, while making a tour of various localities and minding the lives of the local people. Thailand is now stable and achieving ample development. We believe that this is the blooming result of the continuous efforts of the Thai people exerted under the wise leadership of Your Majesty.

Japan resolved that it would live as a nation of peace so that it should never repeat the horrors of that most unfortunate war. Based on this resolve, Japan has made unremitting efforts since the end of the war to build a new friendship with the Southeast Asian countries. In this situation, I am delighted to see that relations between Japan and Southeast Asian countries are witnessing remarkable development, that their mutual exchanges are expanding at various levels, and that the economies of the ASEAN countries have registered most dynamic development. I believe that Thailand, in particular, has an extremely important role to play, as a nation situated in the center of the Indochinese region, for the development of this region which has a great potential for future prosperity.

It really gives us pleasure to be able to visit Thailand again at Your Majesties' invitation. The empress and I are hoping to see for ourselves the ever-developing Thailand of today and to meet with many Thai people in our effort to deepen our mutual understanding. We are also looking forward to coming into contact with the history of Thailand by visiting Sukhothai, the ancient capital, while recalling the monument of the great King Ramkhamhaeng we once saw at the museum in Bangkok, with the inscriptition: In the water there is fish; in the fields, there is rice; ... people are happy.

May I now propose a toast to the health of his majesty the king and her majesty the queen, to the prosperity of the Kingdom of Thailand, and to the happiness of the Thai people.

Tours Historic Sites 27 Sep

OW2709043491 Tokyo KYODO in English 0341 GMT 27 Sep 91

[Text] Bangkok, Sept. 27 KYODO—Japanese Emperor Akihito and Empress Michiko began the second day of their four-day official visit to Thailand on Friday with separate tours of historic and welfare facilities.

The emperor, who flew into Bangkok on Thursday on the first leg of a three-nation Southeast Asian swing, laid a wreath at the Victory Monument in a traditional ceremony by a visiting state guest.

The monument was built in 1942 to commemorate the recovery of four eastern provinces from French control, negotiated with the help of Japan. Thailand was on Japan's side in World War II.

The emperor later received Thai Prime Minister Anan Panyarachun in audience at his quarters in the Borom Piman Palace, the former residence of Thai King Phumiphon Adunyadet.

The empress, meanwhile, visited a handicraft training center for poor people inside the Chitralada Palace, the residence of the King and Queen Sirikit.

The Support Foundation Training Center, sponsored by the queen, houses about 350 people at present.

The imperial couple's schedule for the rest of the day included a visit to the Thailand Cultural Center, built with Japan's financial help, and a return banquet hosted by the emperor.

At a banquet Thursday night, the emperor said that as a nation of peace, Japan is determined never to repeat "the horrors of that most unfortunate war."

The couple will fly to Thailand's ancient capital of Sukhothai north of Bangkok on Saturday to see historical relics dating back to the 13th century.

They will spend two nights in Chiang Mai, the second-largest Thai city, situated some 750 kilometers north of Bangkok, before proceeding to Malaysia on Monday. Sukhothai is halfway between Bangkok and Chiang Mai.

They are scheduled to return home October 6 following a visit to Indonesia, completing the first tour of the region by a reigning Japanese emperor nearly half a century after the end of Japan's military rule there.

Meets With Thai Premier

OW2709100891 Tokyo KYODO in English 0959 GMT 27 Sep 91

[By Masanori Kikuta]

[Text] Bangkok, Sept. 27 KYODO—Thai Prime Minister Anan Panyarachun told visiting Japanese Emperor Akihito on Friday Thailand expects Tokyo to play a leading role in ensuring peace in Southeast Asia.

A senior aide to the Emperor quoted Anan as saying during a 20-minute audience that the Emperor brought three messages with him—peace, goodwill, and mutual understanding.

The Emperor repeated the essence in an earlier speech Thursday on Japan's militaristic rule in southeast asia during World War II, said Kiyoshi Sumiya, Grand Master of Ceremonies of the Imperial Household Agency.

Emperor Akihito, here on the first leg of a three-nation tour of the region, said in the speech Japan is determined never to repeat "the horrors of that most unfortunate war."

Last week, the Emperor said he hopes to promote Japan's image as a peaceful nation during the 11-day tour of the region, where the memory of Japan's aggression remains vivid.

Anan told him peace is taking hold in the region, and Thailand, viewing Japan as "a leading country," expects the nation to play a major role, Sumiya told reporters.

But the prime minister, installed by the Thai military following last February's coup which toppled a civilian government, expressed hope Japan will act to promote the interests of "small countries" in the region.

According to Sumiya, the Emperor said broader-based cooperation involving not only economic but other fields including cultural, is important for better bilateral relations and a deeping friendship.

Japan is Thailand's leading investor, aid donor and trading partner.

The audience took place after last week's attempt by Thai religious and other groups to postpone the Emperor's visit for what they called a violation of the rights of two bhuddists by the Thai military.

The visit is the first ever to Asia by a Japanese monarch and the Emperor's first visit to the country since his succession to the throne following the death of his father, Hirohito, in January 1989.

Emperor Akihito was on the second day of a four-day official visit to Thailand with Empress Michiko.

Earlier in the day, the Emperor laid a wreath at the victory monument in a traditional ceremony by a visiting state guest.

The monument was built in 1942 to commemorate the recovery of four eastern provinces from French control, negotiated with the help of Japan.

Empress Michiko visited a handicraft training center for underprivileged youths located inside Chitralada Palace, the residence of King Bhumibol Adulyadej and Queen Sirikit. Sponsored by the Queen, the support foundation training center now houses about 350 residents.

The imperial couple's schedule for the rest of the day included a visit to the Thailand Cultural Center, built with Japan's financial help, and a banquet hosted by the Emperor.

The couple will fly to the kingdom's ancient capital of Sukhothai, north of Bangkok, on Saturday to see historical relics dating back to the 13th century.

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Japanese Envoy on Relations, Emperor's Visit

BK2609015791 Bangkok BANGKOK POST in English 26 Sep 91 p 3

[Text] Japanese Emperor Akihito's arrival in Thailand today marks his first foreign visit since enthronement, said Japan's Ambassador Mr Hisahiko Okazaki yesterday.

"Thai-Japanese relations are at their best ever," said Mr Okazaki. Emperor Akihito will stay four days in Thailand before going to Malaysia and Indonesia.

Commenting on Japan's foreign policy since the February coup d'etat, Mr Okazaki said: "I am quite convinced for Thailand, coups are one of the traditional ways of changing government. And human rights of freedom are not violated or infringed upon. It is by nature different from a military junta, which Americans hate."

He said he had to defend the situation in Thailand from criticism by Tokyo. "There has been no infringement of human rights except for (former prime minister) Chatchai who was held for two weeks. That, I protested," said the outspoken envoy who took office here in 1988.

The coup had not reduced Japanese investment in Thailand, he said. "In 1989, 90 (Japanese) factories were opened, or one factory every four days. In 1990 it was 123 factories, or one factory every two days. In the first six months this year, 60 new factories were opened," he said.

Unlike Japanese investment in Malaysia or Indonesia, the ambassador said, the links between Thailand and Japan would always be special.

With the break-up of the Soviet Union and the likelihood of a US pullout the future defence of Asia-Pacific may soon hang in the balance, he said.

While Russia has pulled back its forces in Western Europe, Mr Okazaki said there was increased buildup in two areas: the Barents Sea and the Sea of Okhotsk, in northern Japan.

These are strategic waters for submarines which give Russia its "second strike capabilities." Russia remains the only power that can destroy the US, he said.

Though tension has escalated on Japan's northern borders, the ambassador said, Japan remained "terribly immobile" in arranging a stronger defence, fearing a repeat of WWII.

Adding to the tension in the Asia-Pacific was the return of Hong Kong to China in 1997. "I believe the Chinese will move their navy south to Hong Kong after 1997," he said. "With that the Chinese will be the leading power (in the Asia-Pacific) by the end of the century.

Asked if Japan will allow that, Mr Okazaki said: "That is why we are asking the Americans to stay (in the Philippines)."

Despite US pressure on Japan to share the defence of the Pacific, Mr Okazaki said, Japanese are still averse to playing a militaristic role.

Of Japan's role abroad, he said: "Japan owes much gratitude to prime minister Chatchai in inviting it to host the Kampuchean peace talks in Tokyo. Which other country would have done that?"

Of the current politicals situation in Thailand, the ambassador said he was surprised by the military's choice for prime minister. "Anan is not an easy person to work with, he appoints only good people. I thought the NPKC had a good stomach to appoint him."

"In the spring the NPKC showed no political ambition for their future. This has now changed," he said.

On the Prime Minister himself, the ambasador said: "I met Anan for the first time in 1953 at Cambridge. He was one year my senior. I was the first Japanese to go to Cambridge."

Asked if Anan looked then like a future prime minister, the ambassador said: "He always looked assuming." The Prime Minister told the ambassador he remembered the early days but has kept a distance.

On the remark by Chatchai when visiting Australia as prime minister that he would not like to see the future generation of Thais speak Japanese, the ambassador said the embassy checked on the report and Chatchai had denied saying it.

He said for developing countries like Thailand, the language of importance, besides the native tongue, should be English. But as a third language he said Japanese was better than French or German.

On competition from Vietnam, he said because of communist rule, there remains a divergence of values between the north and south and the communist leaders have a tendency to suppress the free-wheeling community in the South.

"Their growth will follow a zigzag course with breaks rather than a smooth one. Because of that, Thailand, with its eocnomic stability, had the advantage," he said.

Significance of Japanese Emperor's Visit Examined

BK2609010991 Bangkok THE NATION in English 26 Sep 91 p A6

[By Kawi Chongkitthawon]

[Text] The visit to Southeast Asia of Emperor Akihito and Empress Michiko beginning today is their first overseas trip since the enthronement of the emperior last November. It was with good reasons that Thailand was chosen as their first stop.

The two Royal Families have long had close ties. Thailand and Japan also have enjoyed excellent relations, especially since the late 1980's, which saw a surge in Japanese investment here and more bilateral cooperation. Bangkok and Tokyo cooperated closely in the joint effort to break the impasse over the Cambodian peace talks. This led to Tokyo's decision last year to undertake an unprecedented active political role to help resolve the Khmer conflict. Tokyo hosted a face-to-face meeting of leaders of the four warring factions in June 1990.

Gone were the days, when Thai people took to the streets protesting alleged Japanese economic domination or when politicians had to shout anti-Japan slogans to win extra votes. The anti- Japanese sentiments, which marred bilateral ties in the 1970's, have long disappeared and replaced by a new sense of mutural appreciation and cooperation.

The Emperor's visit comes at a time when Japan's presence and things Japanese have been accepted as common here. In Bangkok, "Little Tokyo" near Patphong is popular among Japanese expatriates. Elsewhere in major tourist centers, one can easily find a restaurant that serves sashimi teshoku, a raw-fish lunch set.

Though bilateral ties between Japan and Thailand have become more mature over the past two years, they however have been uneven. Japan is the largest foreign investor in the country and its investment now comprises more than half of all the total foreign investment in Thailand. It is widely believed that a new Japanese factory is built here every three days.

During the visit of the Imperial Couple, Thailand's importance to Japan in the eye of Japanese government leaders will likely be emphasized. Tokyo counts on Thailand as a key partner in the Japanese active policy toward Southeast Asia in the post-Cold War era and in the 21st century.

The region now has become a key factor in Japan's foreign policy as well as production base for Japanese industry because of the relatively cheap labour and natural resources.

In the past, Southeast Asia was considered a backyard for uncompetitive Japanese industries which were also big polluters. they came in droves to the region because environmental laws here were lax. These uncompetitive industries had no place in Japan because not only would they be edged out of their own market, but also because they would be shut down by tough Japanese environmental laws.

Fortunately, the concept of Southeast Asia being a dustbin for these uncompetitive Japanese industries is changing. Japanese industrialists now are more sensitive to environmental problems caused by their factories and are becoming more ecology-conscious due to strong lobying by environmentalists and concerned groups in Japan and Sotheast Asia.

This bodes well for Japense economic relations with Thailand. With the encouragement and assistance from Bangkok, Tokyo is moving into the realm of geo-political challenges in the region, especially with regard to the Cambodian problem.

Unlike other countries in Southeast Asia, Thailand has no hangover from World War II. Emperor Akihito's visit to Thailand will not rekindle any anti-Japanese sentiments here. For being technically an "ally" of Japan after Bangkok declared war on the Western Alliance, Thailand was least affected by the Japanese aggression in this region during the war.

In a larger context, the Emperor's visit to Malaysia and Indonesia could be seen as an act of reconciliation to try to heal the wounds suffered by those countries during the Japanese military occupation.

The kinder, gentler and politically docile Japan now wants to being a new era of trust and mutual cooperation with Southeast Asia.

Emperor Akihito's visit augurs well for the region especially since it comes a few months after the May visit of Prime Minister Toshiki Kaifu to ASEAN. Kaifu became the first Japanese premier to publicly express regret for the "unbearable suffering and sorrow" inflicted by Japanese occupation troops during World War II. The fact that Japanese leaders are able to come to terms with the stark realities of the war is a good turning point as far as Southeast Asia is concerned.

Since Kaifu's visit, Japan has been trying to reinforce its positive presence in the region while at the same time expressing sincere remorse and repentance over its past misdeeds.

In an interview last week in Tokyo, Emperor Akihito assured that Japan is a peace-loving nation and his country is determined to stay that way.

In more ways than one, the Emperior's visit to Southeast Asia before China and South Korea—which suffered even more during World War II—demonstrates Tokyo's policy of giving a high priority towards Southeast Asia.

As far as international dimension is concerned, the Emperor's visit comes at a time when global politics are undergoing rapid changes in the post-Cold War environment. Japan realizes it has to play a more responsible role in shaping the future world order.

Japan's importance has grown considerably in the last two decades. Tokyo has now replaced Washington as the world's largest aid donor and its political influence is bound to increase. Emperor Akihoto's visit to Southeast Asia—the first by a Japanese emperor to the region and only the third imperial tour overseas—marks Emperor Akihito's world debut as emperor-cum-ambassador.

This in turn signals to the world that the new Japan is more internationalized and accessible.

Emperor Akihito's state visit to Thailand is also significant because the Thai Royal Family here and Japan's Imperial Family are very close.

Members from the two royal familties have exchanged visits. Their personal acquaintance tends to create goodwill and appreciation between the two peoples.

Monarchies of the two countries are similarly highly revered and have survived the test of time, unlike that in other Asian countries such as Napal and Cambodia, where the royalies have been in decline, mostly because of their open and direct political involvement.

However, it is hard to say whether one visit by the charismatic Emperor would suffice to end the lingering mistrust of Japan in many Southeast Asian countries. Being the first Emperior to ascend to the throne under the postwar constitution, Emperor Akihito is in a good position to reassure Southeast Asia and the rest of the world of Japan's genuine desire to promote peace and world prosperity.

Bilateral Trade With Japan Increases 28 Percent

BK2709033191 Bangkok THE NATION in English 27 Sep 91 p B5

[Text] Japan was Thailand's largest trade partner in the first five months of this year, accounting for 25.4 percent of the total trade volume from January to May, according to the Business Economics Department.

The department said the value of bilateral trade between Thailand and Japan during January and May was recorded at Bt [Baht] 172.8 billion, an increase of about 28 percent compared with the corresponding period last year.

According to the department, Thailand registered a trade deficit of about Bt70 billion with Japan in the first five months of this year with imports from Japan amounting to Bt121 billion against Bt51 billion in exports to that country.

Thai exports to Japan, valued at more than Bt3 billion, included frozen fresh shrimp, rubber, frozen chicken, gems and jewellery and ready made garment, the department said.

Panel Rejects Proposal To Reexport Teak Logs

BK2709024591 Bangkok THE NATION in English 27 Sep 91 p A4

[Text] The Economic Policy Screening Committee has rejected the National Security Council's (NSC) call for the government to allow the re-export of teak logs and timber imported from neighbouring countries, saying that it would run against the global rain forest conservation initiative.

A well-informed source in the committee said the call was not entertained because the economic ministers shared the view that the import of logs and timber should be for local use only.

Moreover, the re-export of timber and logs from Thailand would encourage cash-strapped neighbours to accelerate the cutting of their forests in exchange for hard currencies, said the source.

He added that the massive deforestation in the region would be devastating to the whole region and undermine the international community's attempt to conserve the remaining rain forests in Southeast Asia.

Agriculture Minister Nat Aphaphirom meanwhile, said that the proposal will be re-submitted to the Cabinet for consideration.

The NSC's call for the Cabinet to extend licences for four sawmills to continue to operate bonded warehouses where imported logs and timber can be stored tax-free until they are released for processing and sales were also dropped, according to the source.

The licences have to be renewed every three years. They will expire at the end of the month, said the source.

According to a report compiled by the security body, since the government banned logging nationwide at the beginning of 1989, the demand for imported logs and timber had increased markedly.

Four companies, Santi Forestry Co, Thai Pong Sawmill Co, TCK Sawmill Co and Hong Heng Lee Sawmill Co, which have been approved to operate bonnded warehouses since 1984 have helped alleviate the shortage of wood in the country, the report said.

The security council suggested that the Commerce Ministry amend its regulation which governs the re-export of teak logs and timber and that the Customs Department extend the validity of the four licences.

Before the proposal was to be deliberated by the economic ministers last Wednesday, the ministers had assigned the Commerce, Industry and Foreign ministries to scrutinize and comment on the proposal, said the source.

He said the three ministries agreed that the import of logs and timber has increased sharply since Thailand closed its forests. At the same time, Thailand exports only six per cent of imported wood in the form of teak furniture annually. Last year, the import of teak logs and timber was worth over Bt [baht] 10 billion while exports amounted to only 15,021 cubic metres worth Bt430 million.

The ministries were concerned that the massive import of wood from neighbouring countries would be used as a ground against the government for secretly undermining environmental and conservation movements, the source said.

Moreover, non-governmental organizations in the United States and the European Community have stepped up their campaigns against the import of wood products originating from tropical rainforests, according to the source.

Anan Rejects Poll Favoring Election Prospects

BK2709023791 Bangkok THE NATION in English 27 Sep 91 p A3

[Text] Prime Minister Anan Panyarachun re-affirmed yesterday he would not accept the premier's post although an opinion poll conducted recently shows that he is among the four favoured persons for the country's top administrative post.

The poll, conducted by Chinnawat & Communications Company, indicated that the favourite people for the premier's post were Bangkok Governor Chamlong Simuang, Premier Anan, New Aspiration Party leader Gen Chawalit Yongchaiyut and army chief Gen Suchinda Khraphrayun respectively.

Anan dismissed the poll.

"The poll would not have any effect so long as I do not stand for election," he said.

Vietnam

Article Criticizes U.S. on MIA, Trade Embargo

BK2609131391 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 26 Sep 91

[Article by Tieu Lien in "International Topic" Program]

[Text] Vietnam has had a very goodwilled and clear policy on cooperating with the U.S. on the MIA issue as well as on other issues. However, the U.S. Government continues to pursue a hostile and unfriendly policy in dealing with Vietnam.

On 18 September, in a reception held for Citibank officials, Vo Van Kiet, chairman of the Council of Ministers, stated that with the Vietnamese tradition of forgiveness and humanity, Vietnam has never used the MIA issue as a political tool. The Vietnamese Government has and will continue, with a high sense of humanity, to help the MIAs' relatives as well as tens of thousands of Vietnamese families looking for their relatives' remains who died during the Vietnam war.

That was one of many occasions that our government has shown its goodwill policy in coordinating with the U.S. Government concerning the MIA issue. In the last five years, U.S. and Vietnamese officials have carried out 14 joint missions to locate MIA remains in 30 provinces and cities of Vietnam.

The U.S. side has sent 41 teams to Vietnam, which have spent the equivalent of 40,000 days laboring to locate and identify MIA remains. The Vietnamese side has contributed 500,000 labor days, as well as other means, to cooperate with U.S. specialists.

U.S. specialists are allowed to look at war documents and files and to establish their own office in Hanoi. Even U.S. specialists admitted that out of more than 1,000 MIA's in Vietnam, it may be possible to only collect 300 to 400 sets of remains. The rest of the remains may have fallen in the ocean or been destroyed in plane incidents.

Recently, the U.S. public discovered that somebody had presented false evidence of live American prisoners held captive in Vietnam, and these people were condemned by the U.S. public as unscrupulous in their shameless efforts to make money. The U.S. public also said that Vietnam had been very cooperative with the U.S. concerning the MIA issue. Mr. Peter Gracier, one of the people who organized the recent Peace Walk in Vietnam, commented near the end of his tour that after his hospitable meetings with the Vietnamese and his free travel in Vietnam, he believes that Vietnam does not hold any American prisoners. Mr. Bill Steak, a specialist of the Defense Intelligence Agency of the U.S. Department of Defense working in an MIA office in Hanoi, said: I think there is nothing more to demand from Vietnam concerning MIA cooperation. They have tried their best.

However, despite Vietnam's goodwill and the U.S. public's demand, the U.S. Government continues to use the MIA issue as a condition for the normalization of diplomatic ties between the two countries.

Actually, U.S. President Bush just signed an order to extend the trade embargo against Vietnam for another year. Through this, people can see that the U.S. Government continues to follow a hostile path against Vietnam, contradicting the trend of cooperation and development.

The MIA issue has been used as a means for extreme right wing elements to prolong their resentment toward Vietnam. Since their reasons are groundless, their path will be a difficult one on which to continue. That has been shown clearly in the opinions of many U.S. politicians and businessmen who realize the truth that they had better do business with Vietnam quickly, because doing business with Vietnam benefits not only Vietnam but the U.S. as well. By not doing business with Vietnam in the early stages, American businessmen will be late and they may only pick up the leftovers of the good cake in Vietnam while the big shares of the cake already belong to other countries, including many U.S. allied countries. These countries only pretend to observe the trade embargo while they quickly sign contracts to do business with Vietnam.

The extension of the trade embargo for another year by the U.S. Government certainly will not avoid the strict condemnation of the U.S. and international, progressive people. The trend of countries doing business with Vietnam, and Vietnam's renovation—which includes open, active, and attractive policies—have proven that a hostile policy against Vietnam is outmoded and dull-witted. The results of the continuation of this policy will be brought back to the U.S. and its people.

New Action Taken Against Illegal Departures

BK2609152991 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 24 Sep 91

[Text] A meeting took place on 23-24 September in Hanoi among officials from Vietnam, the United Kingdom, Hong Kong, the United Nations High Commissioner for Refugees [UNHCR], and the International Organization for Migration [IOM].

The Vietnamese delegation was headed by Comrade Vu Khoan, deputy foreign minister.

Speaking at the meeting, the Vietnamese side welcomed efforts to find solutions to the issue of Vietnamese refugees in Hong Kong.

Mr. (Alva), director of the UNHCR Office in the Asian and Oceanian region, said: I would like to share important information concerning those who are contemplating leaving Vietnam for Hong Kong.

At present, a number of people are planning to leave for Hong Kong and then apply for repatriation to Vietnam immediately afterward in the hope that they will receive some kind of cash assistance. In fact, UNHCR-funded cash assistance to repatriates has encouraged many people to return. However, this move has become the driving force behind many people's decisions to leave their country. The UNHCR has now decided to reduce that cash assistance. Therefore, anyone who is contemplating leaving his or her country to get cash assistance will have to pay a price for his or her trip. There will be no cash assistance for them. This decision will come into effect beginning 24 September 1991.

More Hong Kong Voluntary Repatriates Return

BK2709071591 Hanoi VNA in English 0609 GMT 27 Sep 91

[Text] Hanoi VNA September 27—Two hundred and sixty-four Vietnamese who illegally left the country for Hong Kong voluntarily returned home on September 26, bringing to 10,000 the total of voluntary repatriates so far.

Among those present on their return yesterday at Noi Bai Airport, Hanoi were representatives of the Ministry of the Interior, the Foreign Ministry, the Ministry of Labour, war-invalids and social affairs, British Ambassador Peter Keegan Williams, J. Anvar, director for Asia and the Pacific of the UNHCR [United Nations High Commissioner for Refugees] in Geneva, J.Mouchet, representative in Hong Kong.

Speaking to Vietnamese and foreign media workers Mr. Anvar said that this is a positive result of the collaboration between Vietnam and HCR and the authorities in first asylum countries. He expressed his hope that the comprehensive plan of action will see further progress in the coming time.

U.S. Approval Awaited in Refugee Repatriation

BK2709123391 Hong Kong AFP in English 1151 GMT 27 Sep 91

[by ANDREW SHERRY]

[Text] HANOI, Sept 27 (AFP)—Britain and Vietnam are awaiting a green light from the United States to begin the forced repatriation of thousands of Vietnamese boat people from camps in Hong Kong, sources said Friday.

The prospect of mandatory repatriation was the main focus of five days of talks between officials from Britain, Hong Kong and the United Nations that concluded here Friday, said the sources, who were close to the talks.

Vietnam and the United States have been the only players opposed to the idea of mandatory repatriation of boat people who do not qualify for refugee status.

But early in the talks, Vietnam indicated that it would be willing to accept non-voluntary returnees if it could be sure there would be no international outcry, sources said.

Specifically, Hanoi said it would rather take charge of the resettlement of returnees—including those sent home involuntarily—than allow U.N.-supervised holding centers to be set up in Vietnam, a Vietnamese source said.

The idea of transferring non-refugees from camps in Southeast Asia to holding centers in Vietnam had been proposed as a means of skirting U.S. and Vietnamese reservations about involuntary repatriations.

The Vietnamese shift caused the talks—which had intially been expected to last two days—to be extended to Thursday then again until Friday as Britian tried to line up Washington's approval, the sources said.

But the British team, led by Undersecretary of State at the Foreign Office Andrew Burns, left Friday without being able to announce that mandatory repatriation of non-refugees was imminent.

"There was a productive and detailed discussion of possible alternative methods of accelerating the rate of return of illegal immigrants with a view to reinforcing the CPA [Comprehensive Plan of Action] provision that such persons should return to their country of origin in accordance with international practices," said the joint communique issued at the close of the talks.

"There was an agreement in principle on the need to implement measures to achieve an accelerated rate of return. Further discussions, including consultations in capitals, are envisaged in the near future to take the work forward."

The CPA mentioned in the joint statement is the "comprehensive plan of action" agreed upon by some 30 countries—including the United States—in June 1989 to confront the boat people problem.

The plan introduced a screening system to differentiate between refugees who fled Vietnam out of genuine fear of persecution and economic migrants who set out simply to better their lot.

Hong Kong's boat people camps currently hold more than 5,000 certified refugees, 19,000 people who have been "screened out" as economic migrants, and about 38,000 others who are awaiting screening.

The United Nations High Commissioner for Refugees, who was represented at the talks, agrees with Britain that screened-out boat people should be treated like any other illegal immigrants and sent home as they are not refugees.

The softening of Vietnam's opposition to mandatory repatriations could be linked to its imminent normalization of relations with China, which is eager to see the Vietnamese out of Hong Kong well before it inherits the British colony in 1997, analysts said.

In a related development, the European Community (EC) announced that boat people arriving in Hong Kong camps as of Friday would no longer be eligible for loans and job training provided to those who return to Vietnam under a six-month 11.5 million dollar program.

The EC, in simultaneous press conferences in Hanoi and Hong Kong, also announced that it hoped to expand the program to more than 100 million dollars over three years, following a meeting of CPA countries October 11 in Geneva.

The press conferences marked the start of a 500,000 dollar publicity campaign in the Southeast Asian boat people camps and in three provinces of Vietnam to inform Vietnamese of what they could gain by returning or staying home.

"If this works, maybe mandatory repatriation won't be necessary," said Ronald Gallimore, the EC counsellor in Bangkok.

Briefing Held on EC Refugee Assistance Program

BK2709142391 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 27 Sep 91

[Text] Delegates of the European Community's Vietnam program held a news conference this afternoon, 27 September, on the question of helping returning Vietnamese refugees stabilize their lives. This program is aimed at the following five objectives:

—providing loans for the returning refugees so they can develop production.

—setting up vocational training centers.

—initiating a number of grass-roots development projects to utilize manpower.

—offering a medical assistance program.

—introducing an information program to prevent the outflow of illegal immigrants.

With these objectives, the program will provide equal assistance not only to those returning refugees but also to those people still living in the country.

Answering a question raised by a journalist, Mr. (Gadimo), councellor of the EC delegation in Bangkok, said: This is a humanitarian program. The program has achieved initial satisfactory results and there is absolutely nothing in the way of efforts to prevent the outflow of refugees as well as improving the welfare of those voluntary repatriates who remain in various refugee camps. This will also not result in any changes in the policy toward refugees that was recently adopted by the UN High Commissioner for Refugees.

Also at today's news conference, Mr. (Gadimo) made the following statement:

Dear friends: Today, if you attempt to flee abroad, you will exclude yourselves from the EC's Vietnam program. You will miss a chance to attend EC-financed training classes and to obtain bank loans for business operations under bank credit programs and you will also deprive yourselves of the right to find new jobs created by the EC's program. The EC's Vietnam program is only reserved for those voluntary repatriates who arrived at various refugee camps before 27 September 1991 and those people still living in Vietnam. Therefore, you should not mistakenly become boat people, for this will only cost you a chance to benefit from the EC's program.

Laos, Cambodia, PRC, UN Send Greetings

BK2709134791 Hanoi NHAN DAN in Vietnamese 6 Sep 91 pp 1, 4

[Messages of greetings from Lao, Cambodian, and Chinese leaders and UN secretary general to Vietnamese leaders on National Day]

[Text] LAOS

On the occasion of the 2 September national day, Comrade Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party Central Committee and president of the Lao People's Democratic Republic; Comrade Nouhak Phoumsavan, chairman of the Supreme People's Assembly; and Comrade Khamtai Siphandon, chairman of the Council of Ministers, have sent the following message of greetings to Comrade Do Muoi, general secretary of the Communist Party of Vietnam [CPV] Central Committee; Comrade Vo Chi Cong, chairman of the Council of State; Comrade Vo Van Kiet, chairman of the Council of Ministers; and Comrade Le Quang Dao, chairman of the National Assembly:

Forty-six years ago, under the leadership of the glorious Indochinese Communist Party headed by President Ho Chi Minh, the heroic Vietnamese people carried out the general uprising that led to the success of the August revolution and the founding of the Democratic Republic of Vietnam [DRV]. The coming into being of the DRV not only ushered in a new era—an era of independence and freedom for the Vietnamese people—but also marked an event of great significance in accelerating and encouraging the struggle of various nations for independence and freedom.

Continuing that heroic tradition, the fraternal people of Vietnam have resolutely overcome numerous difficulties and decisive ordeals in the struggle for national liberation, thus achieving complete victory and unifying the country in 1975. Since then, by bringing into full play the spirit of independence and sovereignty and the tradition of industriousness, the Vietnamese people have also scored many achievements in national construction and defense, particularly the initial important successes in the process of comprehensive renovation. These achievements have affirmed that the line on renovation laid down by the CPV is correct and conforms to the actual situation and aspirations of the Vietnamese people.

We note with satisfaction that the friendly relations, special solidarity, and all-around cooperation between the parties, governments, and peoples of our two countries have always been strengthened and constantly developed, thus constituting one of the factors that ensures the success of our national construction and defense.

On this occasion, on behalf of the party, government, and multi-ethnic people of Laos, we would like to express our endless gratitude to the party, government, and fraternal people of Vietnam for the support and great assistance that they have always reserved for the revolutionary undertaking. We believe that, in light of the Seventh CPV Congress, the fraternal people of Vietnam will achieve new and still greater successes in the process of renovation in accordance with the orientations and principles set forth by the party, thereby making Vietnam a prosperous and powerful country.

On this occasion, Comrade Phoun Sipaseut, foreign minister of Laos, also sent a message of greetings to Comrade Nguyen Manh Cam, our country's minister of foreign affairs.

CAMBODIA

On the 46th anniversary of our August revolution and 2 September national day, Heng Samrin, chairman of the Council of State of Cambodia; Chea Sim, chairman of the National Assembly; and Hun Sen, chairman of the Council of Ministers, have sent a messgae of greetings to Vo Chi Cong, chairman of the Council of State; Vo Van Kiet, chairman of the Council of Ministers; and Le Quang Dao, chairman of the National Assembly. The message reads:

"On behalf of the Council of State, the National Assembly, and the Council of Ministers of Cambodia and the Cambodian people throughout the country, we are highly elated to convey our affectionate sentiments and heartiest and warmest greetings to you and, through you, to the Council of State, the National Assembly, and Council of Ministers of the Socialist Republic of Vietnam.

"Under the clearsighted leadership of the CPV headed by Comrade Do Muoi, a brilliant leader, the heroic people of Vietnam will achieve greater successes in implementing the line on renovation for national construction during the period of transition to socialism, which was laid down by the seventh party congress.

"The party, Government, and people of Cambodia greatly rejoice at the constant development of the close solidarity, fraternal friendship, and stable cooperation in all fields between the parties, Governments, and peoples of Cambodia and Vietnam.

"On this solemn occasion, we would like to express the profound gratitude of the party, Government, and people of Cambodia to the party, Government, and people of Vietnam for their valuable and hearty support of the cause of Cambodia's revolutionary struggle in the past and at present, as well as in the future."

On this occasion, Foreign Minister Hor Namhong also sent a message of greetings to Foreign Minister Nguyen Manh Cam.

CHINA

On the anniversary of the 2 September national day, Yang Shangkun, president of the People's Republic of China, has sent a message of greetings to Vo Chi Cong, chairman of the Council of State. The message reads:

China and Vietnam are neighboring countries sharing mountains and rivers. The peoples of our two countries are bound together by their longstanding traditional friendship. We believe that with the progress toward an overall and equitable and rational political solution to the Cambodian issue, the early normalization of Sino-Vietnamese relations conforms to the fundamental interests of the Chinese and Vietnamese peoples and benefits peace and stability in the region.

UNITED NATIONS SECRETARY GENERAL

In his message to Vo Chi Cong, chairman of the Council of State, UN Secretary General Javier Perez de Cuellar said:

On the anniversary of the national day, I would like to extend to Your Excellency and the Government and people of the SRV my hearty salutations and warmest greetings.

On this occasion, I would like to express the hope that the strong and consistent commitment of the member nations to the objectives and principles of the UN Charter will, at an early date, bring peace, justice, and happiness to the world people as they have long expected.

PRC Ban of NEWSWEEK Issue on Prisons Noted

BK2609133691 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 26 Sep 91

[Text] According to foreign sources, China has banned the circulation of the U.S. magazine NEWSWEEK this week because the magazine has carried an investigative report on the PRC's use of prisoners for manufacturing export goods. The Chinese Foreign Ministry has sternly condemned the news report and denounced the magazine for having distorted the truth in an attempt to defame China.

PRC Official Comments on Ties With China

BK2709070391 Hanoi VNA in English 0605 GMT 27 Sep 91

[Text] Hanoi VNA September 27—As compared with other countries, China has many advantages in trade and economic cooperation with Vietnam, the English-language paper CHINA DAILY on September 25 quoted a representative of the Ministry of Foreign Economic Relations and Trade of China as saying.

This, according to the representative, is because : first, Vietnam always wants to restore, consolidate and develop its economic cooperation and trade relations with China. Second, China has many industrial products which are as diversified and cheap as technologically suitable for Vietnam's need, and last but not least, in the past China had helped Vietnam build many industrial projects in North Vietnam such as railways, bridges, iron and steel works, textile mills, construction materials and fertilizer plants.

Now, he added, Vietnam wants China to help it restore and upgrade these projects and equip them with modern technologies. He said the major oil refining facilities being built in Fujinan and Guangdong provinces of China might serve as a basis for Sino-Vietnamese cooperation in petrochemistry. Vietnam might take its crude oil to be refined there or buy technical equipment of China for its own refineries.

Officials at Hanoi-Beijing Telephone Ceremony

BK2709093791 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 26 Sep 91

[Text] On the occasion of the Chinese national day, the Vietnam Post and Telecommunication Corporation on 26 September held a solemn ceremony at the Lang Trung International Telecommunication Center in Hanoi to commission the Hanoi-Beijing direct telephone system.

Attending the ceremony, on the Vietnamese side, were Vu Khoan, deputy minister of foreign affairs and representatives from the Council of Ministers Office; and on the Chinese side, Chinese Ambassador Zhang Dewei and many officials from the Chinese Embassy.

Addressing the ceremony, Comrade Dang Van Than, director of the Vietnam Post and Telecommunication Corporation, stressed the significance of the Hanoi-Beijing telephone link which he said will create favorable conditions for accelerating and restoring trade and economic relations, thereby concretely contributing to restoring and developing the friendship between the two countries.

At the ceremony, three test calls were made through the new system between Mr. Dang Van Than and Mr. (Zhang Denzi), director of the telecommunications department of the Chinese Ministry of Posts and Telecommunications; between Mr. Vu Khoan and the Vietnamese ambassador to China, Dang Nghiem Hoanh; and between Chinese Ambassador Zhang Dewai and Chinese Deputy Foreign Minister (?Liu Shuqing).

According to World Telecommunication, Incorporated, during the initial period, the Hanoi-Beijing direct telephone system consists of four telephone lines which will facilitate high-quality telephone, telex, and fax services through the intersat system.

VNA Said Allowed To Open Office in Bangkok

BK2709094191 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 26 Sep 91

[Text] An official of the Thai Government said on 25 September that Thailand has agreed to allow the VIETNAM NEWS AGENCY [VNA] to open an office in Bangkok.

This decision was made following the visit to Vietnam by Thai Foreign Minister Asa Sarasin to hold talks with Vietnamese leaders.

This official said: A Vietnamese delegation will visit Thailand soon to discuss the procedure for opening the VNA office.

CPV, KPRP Organs of Control Meet 24 Sep

BK2609152091 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 24 Sep 91

[Text] On 24 September in Hanoi, a delegation of our party's organ of control headed by Comrade Do Quang Thang, secretary of the party Central Committee and chairman of the party Central Committee Organ of Control, held a working session with a delegation of the organ of control of the Kampuchean People's Revolutionary Party [KPRP] headed by Comrade Ney Pena, member of the Political Bureau and vice chairman of the KPRP organ of control. Comrade Ney Pena and other cadres of the KPRP organ of control are currently on a working visit to Vietnam.

The two delegations exchanged experiences in party control and inspection work, particularly following the Seventh Congress of the Communist Party of Vietnam [CPV]. Both sides informed each other of the activities of the party organ of control of each country and discussed issues related to the enhancement of relations between the two organs of control in the days to come.

Lao Front Delegation Ends Eight-Day Visit

BK2709141791 Hanoi Voice of Vietnam in English 1000 GMT 25 Sep 91

[Text] A delegation of the Lao Front for National Construction led by President Maisouk Saisompheng, member of the Central Commitee of the Lao People's Revolutionary Party on Tuesday [24 September] ended its eight-day visit to Vietnam.

During its stay in Vietnam, the delegation had discussions with the Vietnam Fatherland Front on steps to promote cooperation between the two organizations. The Lao delegation also toured Hanoi, the town of Son Tay, and the northern mountain province of Tuyen Quang and met officials of the Vietnam-Laos Friendship Association.

Six ROK Companies Consider Opening Offices

BK2609072991 Hanoi VNA in English 0617 GMT 26 Sep 91

[Text] Hanoi VNA Sept.26—Six among the seven biggest corporations of South Korea have got permits to open their representation offices in Vietnam.

Besides giants such as Samsung, Hyundai, Lucky Gold Star, Daewoo and Hyosung, 17 medium and small companies are already present in Vietnam.

In an interview to the weekly "SAIGON ECONOMY", Mr. Myung Kyu Chung, director of the Kotra Trade Promotion Group of South Korea in Ho Chi Minh City, said in 1990, South Korea exported to Vietnam USD 110 million worth of electronics, household utensils, machines and equipment. It imported 50 million US dollars worth of farm, forest and sea products and mineral ores. The figures are expected to be higher this year, he said.

Most South Korean companies chose to invest in Vietnamese sub-contracting enterprises, especially in garment making.

So far, eight Vietnam-South Korea joint projects have been licenced.

Mr. Myung further said that many big companies of South Korea have completed their pre-feasibility studies in many fields and on various scales so as not to miss opportunities.

He stressed that South Korea is really worried to see Japan, its biggest rival in the region, moving much faster in the field of investment in Vietnam.

He also said that South Korean companies are considering the building of factories in Vietnam so as to take adventage of the local raw materials and labour.

The Samsung company, for instance, is considering the setting up of a factory to produce television sets and electronic parts.

According to Mr. Myung, as soon as the United States lifts its embargo, South Korea will start exploring for oil and natural gas and exploiting Vietnam's farm, forest and marine resources. It is also interested in making automobiles, cement, fertilizer and office equipment, and building hotels and other infrastructures.

Poland To Continue Cooperation With Hanoi

BK2709141491 Hanoi Voice of Vietnam in English 1000 GMT 27 Sep 91

[Text] Poland will continue its economic, cultural, commercial, and scientific cooperation with Vietnam on the basis of mutual benefit.

Addressing a news conference in Hanoi, Polish Ambassador to Vietnam Stanislaw Gebala said despite numerous difficulties, the Polish Government remains determined to go on with this cause.

Indian National Defense College Delegates Arrive

BK2609072191 Hanoi VNA in English 0612 GMT 26 Sep 91

[Text] Hanoi VNA Sept. 26—A delegation of the National Defence College (UND) of India arrived on Wednesday for an official visit.

The delegation, consisting of 19 members led by Major-General A.K. Verma, is hosted by the military academy. It was welcomed on its arrival by Lt. Gen. Le Huu Duc, deputy director of the academy. Its programme in Hanoi includes visits to the defence minister and the chief of the general staff of the Vietnam People's Army.

The delegation is scheduled to visit Hue, Da Nang and Ho Chi Minh City before concluding its visit on October.

Mother Teresa Seeks Site To Open Mission

BK2609071891 Hanoi VNA in English 0559 GMT 26 Sep 91

[Text] Hanoi VNA Sept.26—Nobel Laureate Mother Teresa, a Roman Catholic nun, was in Vietnam recently to look for a site to build a center for orphans, handicapped people and the elderly.

During her Sept.23-25 stay, she visited a home for the elderly in Ha Son Binh province, about 40 kilometres from Hanoi, and toured several sites offered by the Vietnamese Government for her mission.

Communications Venture Formed With Indonesia

BK2609150591 Hanoi VNA in English 1444 GMT 26 Sep 91

[Text] Hanoi VNA Sept. 26—A Vietnam-Indonesia joint venture in repairing and building communication and transport facilities has been launched in Ho Chi Minh City by the Vietnam investment services for development of communication and transport (TCD Tatexco) and Thesungai Budi Groupe of Indonesia.

Mr. Aswismarmo, Indonesian ambassador to Vietnam, was present at the inauguration.

As a first step, Tatexco and Sungai Budi have invested 10 million US dollars in tapioca production and the manufacturing of farm produce processing machines. Their profits are to be reinvested in the communication and transport services.

Sungai Budi also plans to join Tatexco in the manufacturing of car tires, truck parts, and in car assembly.

Oil, Gas Joint Exploration Venture Licensed

BK2609072691 Hanoi VNA in English 0601 GMT 26 Sep 91

[Text] Hanoi VNA Sept.26—A joint venture in oil and gas exploration and exploitation in Vietnam's continental sheld between Petro-Vietnam and Petronan Carigali Overseas (?and BHD) Malaysia has been licensed.

This product-sharing contract, the 13th of its kind in Vietnam so far, is valid for 25 years with an estimated exploration cost of 65 million US dollars.

Since 1988 when Vietnam's law on foreign investment was issued, 304 foreign-invested projects have been licensed with a total registered capital of 2.3 (two point three) billion U.S. dollars.

Ninth Military Region Holds Party Congress

BK2609125991 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 24 Sep 91

[Report by Duy Khai—read by announcer]

[Summary] "After three days of intensive work, the 9th Military Region's fourth second-round party organization congress concluded successfully.

"The new 13-member executive committee of the military region's party organization has been elected strictly in accordance with regulations. Some 20 delegates have presented their views for debating, the essence of which calls for fighting military desertion, combining unit building with economic businesses, promoting party building, and ensuring the quality of party members."

Major General Tran Minh Phu, deputy commander of the military region, raised the question of "why the rate of military desertion among the military region's troops, particularly among new recruits, has still remained high? He said: Some people have the view that this is due to poor indoctrination on the part of the units concerned. Then what about those deserting their units only one day after their arrival in their units? Is this also due to poor indoctrination?"

He pointed out that prior to their military induction, youths should be given political indoctrination so they can realize their honor and duty. "During their first three months of training, instructors should not treat recruits in a militaristic fashion. Instead, they should behave like elder brothers who are showing their younger brothers how to do things. Only by doing so can they help stir up recruits' enthusiasm and relieve the latter of their homesickness, thus making them more attached to their units."

He further added: "There have been few or no military deserters thanks to the military region's sending its troops out for field exercises or for civic action missions. This matter should be studied so a lesson from this experience can be drawn."

A number of delegates called for greater attention to be paid to the recruitment method, saying that villages and hamlets should comply with the law on military service when it comes to drafting youths into the Army.

"A delegate stated the view that to improve the quality of troops and to build combat-readiness units in gradual advance toward standardization and modernization, we would better introduce an all-volunteers enlistment system."

Delegate Huynh Tien Phong, commander of the 4th Division, said: "To build a steadfast unit, we should carry out economic construction in a realistic and effective manner. In our division, thanks to our economic construction, we have been able to build a comparatively perfect living environment for the entire division. Along with carrying out large-scale construction and production, including the planting of 1,000 hectares of sandalwood trees, we have built pleasant-looking barracks for troops and have gradually introduced standardization into our unit. Also thanks to economic construction, we have basically overcome a longtime, thorny problem: that is, how to get water supplied to the troops. Gone forever is the previous practice of travelling a 20-30 km distance to obtain potable water."

A matter of decisive importance seemingly contained in the views of almost every delegate is how to build a contingent of party cadres. In this regard, Comrade Nguyen Van Thanh, a retired cadre who formerly was the military region's deputy commander in charge of politics and secretary of the military region's party committee, said: "Given unfavorable, complex developments in the world and taking into account the special terrains of the 9th military region which cover a long coastline with many offshore islands and a wide variety of ethnic groups, we should emphasize the most important thing to be achieved by our military region's party organization: that is, the maintenance of political stability. Building and strengthening national defense are very important, but it is most important that we should carry out party building in the Armed Forces."

Major General Le Quoc Tuoi, head of the military region's political section, "reported on the number of cases of discipline violations by party members from 1985-1990 and proposed practical measures to develop the party and improve the quality of party members."

Major General Le Xa Hoi, deputy commander and chief of staff of the military region, said: "There has existed a situation where the principle of criticism and self-criticism has not been observed by certain party chapters. In personnel assignments, there has been a tendency to lean heavily on instant use, while belittling the idea of providing them with further training. All these things should be overcome when dealing with personnel assignments and party building."

Australia

Hawke Pledges Support for U.S. Stand on Iraq

BK2609065291 Hong Kong AFP in English 0608 GMT 25 Sep 91

[Text] Canberra, Sept 26 (AFP)—Prime Minister Bob Hawke pledged Australia's support Thursday for the U.S. response to Iraq's detention of a U.N. inspection team, which includes two Australian soldiers.

In a move seen as possible first step to military action, the U.S. Defence Department has announced it is sending 96 Patriot missiles along with 1,300 troops to Saudia Arabia.

Hawke told journalists here "the very strong, firm position" taken by the United States was itself a reflection of the view of the United Nations.

"The international community simply will not tolerate the abuse by Saddam Husayn of the decisions of the UN," the prime minister added.

He said the United States viewed the situation with the utmost seriousness and had promised to keep Australia abreast of developments.

Australian Foreign Minister Gareth Evans, who is in New York, spoke to U.S. Secretary of State James Baker and U.N. Secretary-General Javier Perez de Cuellar on Thursday morning, Hawke said.

Among the U.N. team members being held in a bus in Baghdad are Major Colin Chidgey and Captain Brad Hampton, explosives experts attached to the Royal Australian Engineers.

Defense Minister Addresses Security Conference

BK2709090691 Melbourne Radio Australia in English 0800 GMT 27 Sep 91

[From the program "International Report"]

[Excerpts] The number two officer in the United States military today emphasized America's determination to remain a power in the Asia-Pacific. The vice chairman of the United States Joint Chiefs of Staff, Admiral David Jeremiah, told a Canberra conference that too much emphasis was being placed on the possible withdrawal of U.S. forces from the Philippines. Graeme Dobell reports on the Asia-Pacific Security Conference being held by the Royal United Services Institute of Australia [passage omitted].

[Dobell] Australia's defense minister, Senator Robert Ray said U.S. direct security activity in the Western Pacific looked set to decline. Senator Ray restated Australia's commitment to the idea of common security—an idea for Asia that has drawn negative reaction from Washington. Senator Ray went on to describe, what he called, a new regionalism in the new Asia-Pacific.

[Ray] The potential problem points within the region have been characterized by renewed dialogue and confidence-building measures across the last three years. It is of vital importance that this process continue. Of equal importance is the need to steer away from knee-jerk reactions to changes in the greater global security environment. With respect to our most immediate neighbors to the north, Malaysia, Indonesia, and Singapore, there is a clear and logical order being pursued in developing the overall defense force structure. The acquisition of platforms and facilities within those countries is commensurate with the requirements of the region and with the obligation of each nation to be able to provide adequately for self defense. Specific changes, such as Indonesia's improvement of its maritime capacity or Singapore's proposed acquisition of further F-16 aircraft are both appropriate and expected. In general the security picture in the region is favorable and one of the major contributions to that picture is the high degree of military transparency between members. [passage omitted] [end recording]

New Zealand

Rugby Union Decides Not To Play South Africa

MB2509080691 Johannesburg South African Broadcasting Corporation Network in English 0500 GMT 25 Sep 91

[Text] South Africa's hopes of returning to international competitions soon have been dealt a blow with the joint decision by Australia and New Zealand to abandon plans for playing against the Springboks next year.

The chairman of the New Zealand Rugby Football Union, Mr. Eddy Tunks, said in Wellington that plans for an All Blacks tour of South Africa next year, and a Springbok tour of Australia later in the year had been abandoned. He said his union and the Australian Rugby Football Union had decided against the tour proposals because the process of desegregation in rugby was taking longer than expected. However, he said both New Zealand and Australia would be prepared to consider any proposal put forward by an amalgamated South African rugby football union.

Papua New Guinea

Court Finds Deputy Premier Guilty of Misconduct

BK2709070691 Melbourne Radio Australia in English 0500 GMT 27 Sep 91

[Text] The deputy prime minister of Papua New Guinea, Ted Diro, has been found guilty of misconduct in office. Radio Australia's Port Moresby correspondent, Marios Benson, reports that a tribunal investigating charges against Mr. Diro has recommended that he be fined and dismissed from office.

[Begin Benson recording] Mr. Diro has been under investigation by the leadership tribunal over a total 86 misconduct charges. They cover a variety of offenses including accepting bribes, corruption, and being involved in commercial dealings when a minister, which constitues a conflict of interests. Mr. Diro has denied the charges and he has refused to cooperate with the tribunal's hearings, but in his absence today, the tribunal brought down its findings.

It found Mr. Diro guilty of 81 of the 86 charges and found that in no less than 70 of those cases the charges were so serious that the deputy prime minister should be dismissed from office.

So far, Mr. Diro has made no comment on the findings. [end recording]

Constitutional Crisis 'Looming'

BK2709095191 Hong Kong AFP in English 0844 GMT 27 Sep 91

[Text] Port Moresby, Sept 27 (AFP)—A constitutional crisis is looming in Papua New Guinea following indications that the Governor-General Sir Serei Eri will not ratify the sacking of Deputy Prime Minister Ted Diro.

In a judgment handed down Friday a three-man Leadership Tribunal recommended Diro be dismissed on 70 of 81 charges of official misconduct and fined a total of 3,400 U.S. dollars.

Tribunal chairman Justice Graham Ellis said in his summary that Diro was guilty of accepting gifts, soliciting money from people who wrote to his department seeking help and of telling lies to an inquiry investigating the forestry industry.

The tribunal also found Diro had improperly accepted a gift of 139,000 dollars from former Indonesian defence chief Benny Murdani, which Diro said was to help fund his party's 1987 election campaign.

Diro is currently leader of the People's Action Party (PAP), the junior partner in Prime Minister Rabbie Namaliu's Pangu-led coalition. But a spokesman for Eri said the governor-general, who is the founding president of the PAP, was reluctant to sign the papers.

"He doesn't want to sign the papers," the spokesman said. "All he has said so far is that the decision by the leadership tribunal would lead to a lot of other decisions," the spokesman said. He added that Eri was prepared to put his job on the line for the sake of the PAP and his close relationship with Diro.

In such a stalemate, Parliament would be forced to remove Eri and appoint a new governor-general.

Earlier constitutional experts and government sources had indicated they believed the governor-general would, as a matter of formality, sign papers to dismiss Diro. But Diro and Eri met Friday in a game of golf in Port Moresby. Eri declined to comment when approached by reporters.

Diro said he had long expected the decision, even though it would turn out to be controversial. He said he was glad the long-standing issue was now behind him.

"I've been expecting it for a long time," he said after teeing off from the 13th hole.

"The decision will be highly controversial. I was not going to run away from the issue by resigning. I feel relieved now that it's all behind me. It's only a chapter in my life."

Asked whether it was the end of his political career, Diro said, "That is the common perception."

He said he would help rebuild his party, the PAP. "I will work closely with the political party and make sure it goes from strength to strength," he said.

The PAP caucus was expected to meet Friday and over the weekend to decide on the leadership question. Acting party leader Akoka Doi, the fisheries minister, said the party had accepted the tribunal's decision with regret. He said after the party leadership was resolved it would be up to Namaliu to decide on the vacant deputy prime ministership.

Eri was nominated for the vice-regal job by the PAP and party sources say he remains a strong supporter. Most of the charges against Diro stemmed from an inquiry into malpractice and corruption in the country's forest industry. Diro was a forest minister at the time most of the offences were committed.

The tribunal found Diro had tried to stop the forest inquiry when he offered support to the opposition to remove the government from office.

Most of the timber companies from which he was alleged to have solicited financial support and gifts have Southeast Asian connections.

A sudden decision by the tribunal to finish and give a verdict on the charges followed Diro's refusal to give evidence.

After successfully seeking the removal of the first three-man tribunal headed by Judge Arnold Amet claiming he would not be given a fair hearing, Diro said he would not give evidence. Diro is the 18th leader since independence to have been referred to a leadership tribunal.

Five others were dismissed, three resigned in the process, three were fined, two suspended, one reprimanded and the rest found not guilty.

There was no immediate comment from Namaliu. A spokesman for Namaliu said he had yet to be fully briefed on the latest developments.